



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2024-0116

B2M LIMITED PARTNERSHIP

Application for electricity transmission revenue
requirement from January 1, 2025 to December 31, 2029

BEFORE: **Emad Elsayed**
 Presiding Commissioner

Anthony Zlahtic
Commissioner

November 21, 2024

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SCHEDULE A - SETTLEMENT PROPOSAL

1 OVERVIEW

Hydro One Networks Inc. (HONI) filed an application, on behalf of B2M Limited Partnership (B2M LP), requesting approval of its 2025-2029 electricity transmission revenue requirement.

B2M LP is a partnership among Hydro One Indigenous Partnerships Inc., HONI, and Saugeen Ojibway Nation Finance Corporation, a corporation owned by, and the nominee of, the Chippewas of Saugeen First Nation and Chippewas of Nawash First Nation.

B2M LP is an OEB-licensed and rate-regulated transmitter that owns a 176 km 500kV double circuit high-voltage transmission line which connects the Bruce nuclear complex to HONI's Milton Switching Station. B2M LP's transmission assets are part of the bulk electricity system, it has no delivery points and therefore has no customers that it directly serves.

The OEB sets rates for rate-regulated electricity transmitters in Ontario by setting the revenue requirement for each transmitter. These individual transmission revenue requirements are incorporated into the Uniform Transmission Rates (UTRs) that are recovered from ratepayers across the province.

B2M LP applied to set its revenue requirement using a forecast of operations, maintenance, and administration (OM&A) and capital (including tax) costs for each of the five years in 2025-2029. B2M LP proposed a total rates revenue requirement of \$192.91 million to include in the OEB's determination of the 2025-2029 Network pool of the UTRs.

A settlement conference was held from September 23 to 24, 2024. A settlement proposal representing a complete settlement of all issues was filed with the OEB on October 21, 2024 (Settlement Proposal). OEB staff filed a submission supporting the Settlement Proposal.

For the reasons provided in this Decision and Order, the OEB approves the Settlement Proposal as filed. The OEB finds the estimated 2025 revenue requirement of \$37.88 million is reasonable and in the public interest. The estimated average impact on 2025 transmission rates is 0.008% and the total bill impact is less than 0.01% for a typical Hydro One Residential (R1) customer consuming 750 kWh per month.

2 PROCESS

B2M LP filed its application on May 24, 2024, under section 78 of the Act, and the OEB published the Notice of Hearing on June 25, 2024.

On July 12, 2024, the OEB issued Procedural Order No. 1 which, among other things, approved the Association of Major Power Consumers in Ontario (AMPCO), the Consumers Council of Canada (CCC), and the School Energy Coalition (SEC) as intervenors, and provided for the filing of interrogatories and for a settlement conference.

An amended application was filed on July 31, 2024, to reflect an update to the depreciation expense and subsequent changes to the components of the revenue requirement requested for approval in this application.

On August 20, 2024, written interrogatories from parties were received. B2M LP filed interrogatory responses on September 9, 2024.

A settlement conference was held from September 23 to 24, 2024. B2M LP and the intervenors (the Parties) participated in the settlement conference.

All issues associated with the application were resolved at the settlement conference and B2M LP filed a Settlement Proposal with the OEB on October 21, 2024.

OEB staff filed a submission on October 28, 2024, supporting the Settlement Proposal.

3 DECISION ON THE SETTLEMENT PROPOSAL

The Settlement Proposal submitted to the OEB represented a full settlement of all the issues. It is attached as Schedule A to this Decision and Order.

B2M LP had originally applied to set its revenue requirement using a forecast of OM&A and capital (including tax) costs for each of the five years in 2025-2029. Through the Settlement Proposal, the Parties agreed to modify B2M LP's proposed method by reducing OM&A by 3% each year and incorporating a Stretch Factor of 0.15% starting in 2026, which will apply cumulatively from 2027 through 2029 to the revised OM&A expenditures.

Under the Parties' agreed-upon revenue requirement framework, there would no longer be a requirement for B2M LP to file annual update applications with the OEB throughout the rate term; except a one-time update in 2025 to update the cost of long-term debt. This will update and set the revenue requirements for 2026-2029.

The Parties agreed to enhance B2M LP's cost performance and scorecard measure reporting.

The Parties agreed to an overall OM&A reduction of \$0.55 million in 2025-2029. This includes a reduction to OM&A expenditures by 3% every year (approximately \$0.50 million in 2025-2029 in total) and reductions due to the Stretch Factor (approximately \$0.05 million in 2025-2029 in total).

The Parties agreed to dispose the Earnings Sharing Mechanism (ESM) account balance of (\$773,801) in 2025.

Table 1 summarizes the 2025 to 2029 estimated revenue requirements based on the Settlement Proposal.

Table 1 - Settled 2025-2029 Rates Revenue Requirement (\$M)¹

	2025	2026	2027	2028	2029
Proposed Revenue Requirement	38.75	38.39	39.46	39.36	37.75
Settlement Reduction	(0.09)	(0.09)	(0.13)	(0.14)	(0.10)
Settled Revenue Requirement	38.65	38.31	39.33	39.22	37.64
Add: DVA Disposition	(0.77)				
Settled Rates Revenue Requirement	37.88	38.31	39.33	39.22	37.64

¹ [Settlement Proposal](#), pg. 8

The Parties acknowledged the OEB's ongoing Generic Proceeding on Cost of Capital and Other Matters² (the Generic Cost of Capital Proceeding). Notwithstanding the Generic Cost of Capital Proceeding, the Parties agreed on the following approach to cost of capital:

- For cost of capital parameters:
 - i. the 2025 to 2029 cost of common equity and short-term debt rate will be based on the OEB's 2025 cost of capital parameters to be published in the fourth quarter of 2024.
 - ii. the 2025 long-term debt rate will be based on actual debt issuances maturing in 2025, 2030 and 2050 and a forecast debt issue for the refinancing of the 2025 maturity using the Government of Canada bond yield forecast from the September 2024 Consensus Forecast
 - iii. the 2026 to 2029 long-term debt rate will be based on actual debt issuances. There will be no further updates to cost of capital parameters throughout the term, except one application in 2025 to update the cost of long-term debt based on actual issuances in 2025.
- For the deemed capital structure: the deemed capital structure for rate-making purposes is 60% debt and 40% common equity of utility rate base. The 60% debt component is comprised of 4% deemed short-term debt and 56% long-term debt.
- Nothing in the settlement shall preclude any Party from taking any position and/or making submissions in the Generic Cost of Capital Proceeding.

B2M LP estimated its 2025 change in revenue requirement will result in an average impact on transmission rates of 0.070% and a total bill impact of 0.007% (1 cent per month) for a typical Hydro One Residential (R1) customer consuming 750 kWh per month. Similarly, B2M LP estimated a total bill impact of 0.005% (2.2 cents per month) for a typical Hydro One energy-billed General Service (GS<50kW) customer consuming 2,000 kWh per month.

OEB staff submitted that the Settlement Proposal is in the public interest and that the explanation and rationale provided are adequate.

² [EB-2024-0063](#)

Findings

The OEB approves the Settlement Proposal as filed. The OEB reviewed the Settlement Proposal and, particularly in view of the key aspects of the Settlement Proposal set out above, finds that it will result in a reasonable outcome for B2M LP and transmission customers and meets the OEB's statutory objective of determining just and reasonable rates. The OEB commends the Parties on reaching a full settlement on all issues in this proceeding.

The OEB has the following specific comments on certain aspects of the Settlement Proposal.

- The resulting decrease in B2M LP's 2025-2029 proposed revenue requirement is reasonable.
- The introduction of a Stretch Factor starting in 2026 to OM&A expenditures will promote continuous improvement.
- The OM&A reduction should not negatively impact B2M LP's ability to operate and maintain its assets in accordance with good utility practice.
- B2M LP's commitment to file evidence in its next rebasing application on how it has enhanced its cost performance will be helpful.

4 IMPLEMENTATION

B2M LP shall file a draft revenue requirement and charge determinant order with an effective date of January 1, 2025 to be approved on a final basis.

In accordance with the Settlement Proposal, B2M LP shall file a draft Revenue Requirement and Charge Determinant Order by November 28, 2024 to incorporate the OEB's findings in this Decision complete with detailed calculations and supporting material, including:

- an effective date of January 1, 2025
- 2025 cost of capital parameters issued by the OEB on October 31, 2024
- Revised 2025 electricity transmission revenue requirement
- Total bill impacts to customers on average and for a typical residential customer consuming 750 kWh per month and a typical General Service (GS < 50 kW) customer consuming 2,000 kWh per month

In addition, under the Parties agreed-upon revenue requirement framework there will be a one-time update application in 2025 to update the cost of long-term debt based on actual issuances in 2025. This will update and set the revenue requirements, effective on January 1 each year, for the remaining term from 2026 through 2029.

For those intervenors that were granted cost eligibility, the OEB is establishing a cost claim process for this proceeding.

5 ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Settlement Proposal in Schedule A is approved.
2. B2M LP shall file with the OEB, and forward to all intervenors a draft Revenue Requirement and Charge Determinant Order that includes all items listed in the Implementation Section by November 28, 2024.
3. Intervenors and OEB staff may submit comments on B2M LP's draft Revenue Requirement and Charge Determinant Order by December 5, 2024.
4. B2M LP shall file with the OEB, and forward to all intervenors' responses to any comments on the draft Revenue Requirement and Charge Determinant Order by December 12, 2024.
5. Cost-eligible intervenors shall submit their cost claims with the OEB and forward them to B2M LP no later than December 9, 2024.
6. B2M LP shall file with the OEB and forward to intervenors any objections to the claimed costs no later than December 13, 2024.
7. Intervenors shall file with the OEB and forward to B2M LP any reply to any objections to the cost claims no later than December 20, 2024.
8. B2M LP shall pay the OEB's costs of and incidental to this proceeding upon receipt of the OEB's invoice.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2024-0116**, for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address

- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [Filing Systems page](#) on the OEB's website
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Tina Zhu, at Tina.Zhu@oeb.ca and OEB Counsel, James Sidlofsky, at James.Sidlofsky@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto **November 21, 2024**

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND ORDER
B2M LIMITED PARTNERSHIP
EB-2024-0116
NOVEMBER 21, 2024



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BY EMAIL AND RESS

October 21, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2024-0116 – B2M Limited Partnership (B2M LP) – 2025-2029 Transmission Revenue Requirement – Settlement Proposal

In accordance with Procedural Order No. 1 in the above-referenced proceeding, B2M LP participated in a settlement conference with the School Energy Coalition, the Consumers Council of Canada and the Association of Major Power Consumers in Ontario.

On behalf of the parties, attached please find a Settlement Proposal covering all issues for the OEB's review. The Settlement Proposal includes a number of supporting schedules which are attached as appendices. An update will be required in order to reflect the OEB's 2025 cost-of-capital parameters.

An electronic copy of this filing has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Burke". The signature is written in a cursive style.

Kathleen Burke

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Sched. B) (the “Act”);

AND IN THE MATTER OF an application by B2M Limited Partnership for an Order or Orders made pursuant to section 78 of the Act, approving or fixing just and reasonable rates for the transmission of electricity

B2M LIMITED PARTNERSHIP

SETTLEMENT PROPOSAL

October 21, 2024

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1 **A. OVERVIEW**

2
3 **1. Introduction**

4 This Settlement Proposal is filed with the Ontario Energy Board (“**OEB**”) in connection with B2M
5 Limited Partnership’s (“**B2M LP**”) rebasing application set under section 78 of the *Ontario Energy*
6 *Board Act, 1998*, S.O. 1998, c. 15, Schedule B (the “**Act**”) seeking approval for changes to the
7 electricity transmission revenue requirements for the 2025 to 2029 period, to be effective January
8 1, 2025 (the “**Application**”).

9
10 B2M LP is a partnership between Hydro One Indigenous Partnerships Inc., Hydro One Networks
11 Inc. (both of which are affiliates of Hydro One Inc.), and Saugeen Ojibway Nation Finance
12 Corporation, a corporation owned by, and the nominee of, the Chippewas of Saugeen First Nation
13 and Chippewas of Nawash First Nation.

14
15 B2M LP owns a double-circuit, high-voltage transmission line operating at 500 kV. It runs for 176
16 km from just east of the Bruce Nuclear Power Development to just west of Hydro One Networks
17 Inc.’s Milton Switching Station. On critical days, B2M LP’s transmission system is responsible for
18 the delivery of over 3,000 MW of power, which is about 15% of Ontario’s peak load. The assets
19 were placed in service in May 2012.

20
21 The OEB assigned proceeding number EB-2024-0116 to this Application. As set forth herein, the
22 Settlement Proposal contains a comprehensive settlement of all issues within the Application.

23
24 **2. Background**

25 B2M LP filed the Application on May 23, 2024, and the OEB published the Notice of Hearing on
26 June 25, 2024. On July 12, 2024, the OEB issued Procedural Order No. 1 which, among other
27 things, provided for (i) the development of a proposed Issues List by OEB staff and the parties for
28 the OEB’s consideration, (ii) a schedule for written interrogatories, and (iii) a settlement
29 conference. Procedural Order No. 1 also approved the Association of Major Power Consumers in
30 Ontario (“**AMPCO**”), the Consumers Council of Canada (“**CCC**”), and the School Energy Coalition
31 (“**SEC**”) as intervenors in this proceeding.

32
33 On July 25, 2024, the OEB approved the Issues List. An amended application was filed on July
34 31, 2024, to reflect a correction to the depreciation expense and subsequent changes to the
35 components of the revenue requirement requested for approval in this Application.

36
37 On August 20, 2024, written interrogatories from parties were received. B2M LP filed interrogatory
38 responses on September 9, 2024.

1 **3. Settlement Process**

2 Pursuant to Procedural Order No. 1, a Settlement Conference was convened on September 23,
3 2024, and continued until September 24, 2024. The Settlement Conference was conducted in
4 accordance with the OEB's *Rules of Practice and Procedure* (the "**Rules**") and the OEB's *Practice*
5 *Direction on Settlement Conferences*.

6
7 Mr. Pride of Andrew Pride Consulting acted as facilitator for the Settlement Conference.

8
9 B2M LP and the following intervenors participated in the Settlement Conference: AMPCO, CCC
10 and SEC. B2M LP and the intervenors are collectively referred to as the "**Parties**".

11
12 OEB staff also participated in the Settlement Conference but is not a party to this Settlement
13 Proposal. OEB staff who participated in the Settlement Conference are bound by the
14 confidentiality and settlement privilege requirements that apply to the Settlement Conference.

15
16 The Parties reached a complete settlement on all issues on the Approved Issues List, as further
17 described in Part B of this Settlement Proposal.

18
19 **4. Settlement Proposal Preamble**

20 This document comprises the Settlement Proposal and is presented jointly to the OEB by the
21 Parties. This document is called a "Settlement Proposal" because it is a proposal by the Parties
22 to the OEB to settle the issues in this proceeding identified as settled in this Settlement Proposal.
23 However, as between the Parties, and subject only to the OEB's approval of this Settlement
24 Proposal, this document is intended to be a legal agreement, creating mutual obligations, and
25 binding and enforceable in accordance with its terms. As set forth later in this Preamble, this
26 Settlement Proposal is subject to a condition subsequent, that if it is not accepted by the OEB in
27 its entirety, then unless amended by the Parties, it is null and void and of no further effect. In
28 entering into this Settlement Proposal, the Parties understand and agree that, pursuant to the Act,
29 the OEB has exclusive jurisdiction with respect to the interpretation and enforcement of the terms
30 hereof.

31
32 The Parties acknowledge that the Settlement Conference, including any settlement information
33 relating thereto, is privileged and confidential in accordance with the Practice Direction. The
34 Parties understand that confidentiality in that context does not have the same meaning as
35 confidentiality in the OEB's *Practice Direction on Confidential Filings* and that the rules of the latter
36 document do not apply. Instead, in this Settlement Conference, and in this Settlement Proposal,
37 the Parties have interpreted "confidential" to mean that the documents and other information
38 provided during the course of the Settlement Conference, the discussion of each issue, the offers
39 and counter-offers, and the negotiations leading to the settlement of each issue during the
40 Settlement Conference and during the preparation of this Settlement Proposal are strictly
41 privileged and without prejudice. None of the foregoing is admissible as evidence in this

1 proceeding, or otherwise, with one exception: the need to resolve a subsequent dispute over the
2 interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose
3 those documents or other settlement information to persons who were not attendees at the
4 Settlement Conference. However, the Parties agree that “attendees” is deemed to include, in this
5 context, persons who were not in attendance via video conference at the Settlement Conference
6 but were (a) any persons or entities that the Parties engaged to assist them with the Settlement
7 Conference; and (b) any persons or entities from whom they have sought instructions with respect
8 to the negotiations, in each case provided that any such persons or entities have agreed to be
9 bound by the same confidentiality provisions as the Parties.

10
11 As determined by Procedural Order No. 1, OEB staff will make a submission, as contemplated in
12 the Practice Direction, with respect to whether the Settlement Proposal represents an acceptable
13 outcome from a public interest perspective, and whether the accompanying explanation and
14 rationale is adequate to support the Settlement Proposal.

15
16 This Settlement Proposal is organized in accordance with the Approved Issues List. This
17 Settlement Proposal provides a brief description of each of the settled issues, together with
18 references to the evidence submitted for the record in this proceeding. The Parties agree that
19 references to the “evidence” in this Settlement Proposal shall, unless the context otherwise
20 requires, include, in addition to the Application, the written responses to interrogatories and other
21 components of the record up to and including the date hereof, including the attachments to this
22 document (the “**Attachments**”).

23
24 The supporting Parties for each settled issue agree that the evidence in respect of that settled
25 issue is sufficient in the context of the overall settlement to support the proposed settlement, and
26 the sum of the evidence in this proceeding provides an appropriate evidentiary record to support
27 acceptance by the OEB of this Settlement Proposal.

28
29 The final agreements of the Parties following the Settlement Conference are set out below. The
30 Parties explicitly request that the OEB consider and accept this Settlement Proposal as a
31 package. None of the matters in respect of which a settlement has been reached is severable. If
32 the OEB does not accept the Settlement Proposal in its entirety, then there is no agreement,
33 unless the Parties agree, in writing, that the balance of this Settlement Proposal may continue as
34 valid settlement subject to any revisions that may be agreed upon by the Parties.

35
36 It is further acknowledged and agreed that none of the Parties will withdraw from this agreement
37 under any circumstances, except as provided under Rule 30.05 of the Rules.

38
39 In the event that the OEB directs the Parties to make reasonable efforts to revise the Settlement
40 Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no
41 Party will be obligated to accept any proposed revision. The Parties agree that all of the Parties

1 who took a position on a particular issue must agree with any revised Settlement Proposal as it
2 relates to that issue, or decide to take no position on the issue, prior to its resubmission to the
3 OEB for its review and consideration as a basis for making a decision.

4
5 Unless otherwise expressly stated in this Settlement Proposal, the settlement of any particular
6 issue in this proceeding and the positions of the Parties in this Settlement Proposal are without
7 prejudice to the rights of the Parties to raise the same issue and/or to take any position thereon
8 in any other proceeding, whether or not B2M LP is a party to such proceeding.

9
10 In this Settlement Proposal, where any of the Parties “accept” the evidence of B2M LP, or “agree”
11 to a revised term or condition, including a revised budget or forecast, then, unless expressly stated
12 to the contrary, the words “for the purpose of settlement of the issues herein” shall be deemed to
13 qualify that acceptance or agreement.

14 15 **5. Settlement Proposal Overview**

16 The Parties are pleased to advise that they have reached a complete settlement on all aspects of
17 the Approved Issues List, as summarized in the following table, and as described in greater detail
18 below.

19

“ Complete Settlement ” means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the OEB, none of the Parties (including Parties who take no position on that issue) will adduce any evidence or argument during the hearing (if any) in respect of the specific issue.	Issues Settled: ALL
“ Partial Settlement ” means an issue for which there is partial settlement, as B2M LP and the Intervenor who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the OEB, the Parties (including Parties who take no position on the Partial Settlement) will only adduce evidence and argument during the hearing (if any) on the portions of the issue for which no agreement has been reached.	Issues Partially Settled: NONE
“ No Settlement ” means an issue for which no settlement was reached. B2M LP and the Intervenor who take a position on the issue will adduce evidence and/or argument at the hearing on the issue (if any).	Issues Not Settled: NONE

20
21 The following summarizes, at a high level, the most significant elements of the Settlement
22 Proposal. The particulars of the Settlement Agreement are detailed by issue in **Part B** of this
23 Settlement Proposal below. Detailed calculations in support of the settled 2025 to 2029 revenue
24 requirements and their underlying components, as well as 2025 Uniform Transmission Rates
25 (“**UTRs**”) and bill impacts, are provided in the models appended to **Part C** of the Settlement
26 Proposal. The Parties agreed to the following terms:

- 27 a) With respect to the rate setting framework, the proposed revenue requirement framework
28 as proposed by B2M LP will be based on a five-year forecast, subject to the agreed-upon

1 modifications as further described below;

- 2
- 3 b) The Parties agree to reduce the 2025 to 2029 OM&A expenditures by 3% each year and
4 include an additional reduction of 0.15% on OM&A expenditures starting in 2026, which
5 will apply cumulatively from 2027 through to 2029 as a Stretch Factor on OM&A. Details
6 of the total OM&A reductions are outlined in Table 3 below;
- 7
- 8 c) Under this agreed-upon revenue requirement framework, there is no longer a requirement
9 to file annual update applications with the OEB throughout the term; however, there will
10 be a one-time update application in 2025 (see part d, iii);
- 11
- 12 d) With respect to cost of capital parameters:
- 13 i. the 2025 to 2029 cost of common equity and short-term debt rate will be based on the
14 OEB's 2025 cost of capital parameters to be published in the fourth quarter of 2024;
- 15 ii. the 2025 long-term debt rate will be based on actual debt issuances maturing in 2025,
16 2030 and 2050 and a forecast debt issue for the refinancing of the 2025 maturity using
17 the Government of Canada bond yield forecast from the September 2024 Consensus
18 Forecast;
- 19 iii. the 2026 to 2029 long-term debt rate will be based on actual debt issuances. To effect
20 this, there will be a one-time update to the revenue requirement to update the cost of
21 long-term debt based on actual issuances in 2025. This will update and set the
22 revenue requirements, effective on January 1 each year, for the remaining term from
23 2026 through to 2029;
- 24 iv. Except as noted in part iii) above, there will be no further updates to the cost of capital
25 parameters throughout the term; and,
- 26
- 27 e) The Parties agree that B2M LP will file evidence at its next rebasing application on how it
28 has enhanced cost performance. Additionally, B2M LP will publish a scorecard on its
29 website annually, which contains the performance measures in Exhibit D-01-01 of its
30 Application (including adding achieved ROE as an additional measure on the scorecard).
31 To promote consistency and efficiency, B2M LP will publish the performance scorecard at
32 the same time as required for publishing of Hydro One Network Inc.'s Transmission
33 scorecard as set out in the approved EB-2021-0110 Settlement Proposal, Appendix A.
- 34

35 Based on this Settlement Proposal, the Parties have accepted the following 2025 to 2029 revenue
36 requirements as set out in Table 1 below, subject to change from incorporating the OEB's 2025
37 cost of capital parameters once they are issued by the OEB and the actual long-term debt rates
38 from new debt issued in 2025.

Table 1 - Settled 2025-2029 Rates Revenue Requirement (\$M)

	2025	2026	2027	2028	2029
Proposed Revenue Requirement	38.75	38.39	39.46	39.36	37.75
Settlement Reduction ¹	(0.09)	(0.09)	(0.13)	(0.14)	(0.10)
Settled Revenue Requirement	38.65	38.31	39.33	39.22	37.64
Add: DVA Disposition ²	(0.77)				
Settled Rates Revenue Requirement	37.88	38.31	39.33	39.22	37.64

The associated bill impacts arising from settlement are set out in Table 2 below:

Table 2 - Summary of Impacts on Average Transmission Rates and Transmission and Distribution-Connected Customers

	2025	2026	2027	2028	2029
Settled Rates Revenue Requirement (\$M)	37.881	38.307	39.330	39.221	37.642
Net Impact on Average Transmission Rates	0.070%	0.019%	0.046%	-0.005%	-0.069%
Average Transmission Customer Total Bill Impact	0.008%	0.002%	0.006%	-0.001%	-0.008%
Typical Hydro One Distribution R1 Customer Total Bill Impact (750 kWh)	\$ 0.010	\$ 0.003	\$ 0.007	\$ (0.001)	\$ (0.010)
	0.007%	0.002%	0.005%	0.000%	-0.007%
Typical Hydro One Distribution GS<50kW Customer Total Bill Impact (2000 kWh)	\$ 0.022	\$ 0.006	\$ 0.014	\$ (0.001)	\$ (0.022)
	0.005%	0.001%	0.003%	0.000%	-0.005%

Based on the foregoing and the evidence and rationale provided below, the Parties agree that this Settlement Proposal is appropriate and recommend its acceptance by the OEB.

¹ See Part B, Issue 7 of Settlement Proposal

² See Part B, Issue 13 of Settlement Proposal

1 **B. SETTLEMENT BY ISSUE**

2
3 The subsections below summarize the key components of the comprehensive settlement reached
4 by the Parties, including details on how each of the issues in the Approved Issues List has been
5 addressed either through the Application or through the modifications to B2M LP's proposals
6 which have been agreed upon in this Settlement Proposal.

7
8 **GENERAL**

9 **1. *Has B2M LP responded appropriately to all relevant Ontario Energy Board (OEB)***
10 ***directions from previous proceedings?***

11
12 **Complete Settlement**

13 There were no directives or undertakings from B2M LP's previous rebasing application
14 (EB-2019-0178) in respect of this Application.

15
16 **Evidence**

17 The evidence in relation to this issue includes the following:

18

Pre-filed Evidence	Exhibit A-02-02
Interrogatories	N/A
Pre-Settlement Questions	N/A

19
20 **Supporting Parties**

21 AMPCO, CCC and SEC

22
23 **Parties Taking No Position**

24 None

1 **2. Are all elements of the proposed revenue requirement and their associated total bill**
2 **impacts reasonable?**

3
4 **Complete Settlement**

5 The Parties accept that the impacts arising from B2M LP's proposal, as modified by the
6 terms of this Settlement Proposal³, and the associated total bill impacts are reasonable.

7
8 Attachments 6 and 16 to this Settlement Proposal set out the proposed 2025 Uniform
9 Transmission Rates (UTRs) Schedules reflecting the settled rates revenue requirement.

10
11 **Evidence**

12 The evidence in relation to this issue includes the following:

13

Pre-filed Evidence	Exhibit E-01-01, Exhibit E-01-01 Att. 1
Interrogatories	I-01-03; I-01-31; I-03-01
Pre-Settlement Questions	N/A

14
15 **Supporting Parties**

16 AMPCO, CCC and SEC

17
18 **Parties Taking No Position**

19 None

³ See Part B, Issue 7 for modifications to proposed OM&A expenditures

1 **REVENUE REQUIREMENT FRAMEWORK**

2
3 **3. *Is the proposed revenue requirement framework appropriate?***

4
5 **Complete Settlement**

6 The Parties agree that for the purpose of settlement, the revenue requirement framework
7 will be modified to include a Stretch Factor of 0.15% starting in 2026, which will apply
8 cumulatively from 2027 through to 2029 to the revised OM&A expenditures (3% reduction
9 each year). The 0.15% Stretch Factor is the same as Hydro One Networks Inc.'s
10 Transmission Stretch Factor approved in EB-2021-0110.

11
12 To protect ratepayers from any over earnings above 100 basis points, the earnings sharing
13 mechanism ("**ESM**") is maintained as part of this rate setting framework. The Z-Factor
14 mechanism is also accepted as part of this rate setting framework.

15
16 **Evidence**

17 The evidence in relation to this issue includes the following:

18

Pre-filed Evidence	Exhibit A-04-01
Interrogatories	I-01-02; I-01-03
Pre-Settlement Questions	N/A

19
20 **Supporting Parties**

21 AMPCO, CCC and SEC

22
23 **Parties Taking No Position**

24 None

1 **4. *Is the proposed Earnings Sharing Mechanism appropriate?***

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

Complete Settlement

The Parties agree that the proposed ESM mechanism is appropriate. Any annual over-earnings above the 100-basis point threshold are to be shared on a 50-50 basis with ratepayers at the next rebasing application.

Evidence

The evidence in relation to this issue includes the following:

Pre-filed Evidence	Exhibit A-04-01
Interrogatories	I-01-02; I-01-03
Pre-Settlement Questions	N/A

Supporting Parties

AMPCO, CCC and SEC

Parties Taking No Position

None

1 **TRANSMISSION SYSTEM PLAN**

2
3 **5. *Are the proposed capital expenditures and in-service additions arising from the***
4 ***Transmission System Plan appropriate?***

5
6 **Complete Settlement**

7 The Parties agree that the proposed capital expenditures and in-service additions arising
8 from the Transmission System Plan are appropriate. B2M LP does not have any planned
9 capital spending over the 2025 – 2029 rate filing period. The absence of capital spending
10 will result in no in-service additions to rate base during the planning period.

11
12 **Evidence**

13 The evidence in relation to this issue includes the following:

14

Pre-filed Evidence	A-03-01; Exhibit B-01-03 Att. 1
Interrogatories	I-01-04, I-01-11
Pre-Settlement Questions	N/A

15
16 **Supporting Parties**

17 AMPCO, CCC and SEC

18
19 **Parties Taking No Position**

20 None

1 **PERFORMANCE**

2 **6. *Is the proposed monitoring and reporting of performance adequate?***

3
4 **Complete Settlement**

5 The Parties agree that B2M LP will publish its performance scorecard on its website
6 annually (based on the table set out in Exhibit D-01-01 of its Application) and also include
7 achieved ROE. To promote consistency and efficiency, B2M LP will publish the
8 performance scorecard at the same time as required for publishing of Hydro One Network
9 Inc.'s Transmission scorecard as set out in the approved EB-2021-0110 Settlement
10 Proposal, Appendix A.

11
12 **Evidence**

13 The evidence in relation to this issue includes the following:

14

Pre-filed Evidence	Exhibit D-01-01
Interrogatories	I-01-03, I-01-12, I-01-13, I-03-02
Pre-Settlement Questions	N/A

15
16 **Supporting Parties**

17 AMPCO, CCC and SEC

18
19 **Parties Taking No Position**

20 None

OPERATIONS MAINTENANCE & ADMINISTRATION COSTS

7. Are the proposed OM&A expenditures appropriate?

Complete Settlement

The Parties agree to reduce the 2025 to 2029 OM&A expenditures by 3% each year and by an agreed upon Stretch Factor beginning in 2026, as discussed under Issue 3.

The Parties also agreed that, at the next rebasing application, B2M LP will file evidence on how it has enhanced cost performance.

The settled OM&A expenditures are in **Table 3** as follows:

Table 3 - Settled 2025-2029 OM&A (\$M)

	2025	2026	2027	2028	2029
Proposed OM&A	3.13	2.74	3.92	4.12	2.81
Settlement Reduction (3% on OM&A)	(0.09)	(0.08)	(0.12)	(0.12)	(0.08)
Revised Base OM&A	3.04	2.65	3.80	3.99	2.73
Stretch Factor (0.15% cumulative reduction)		(0.005)	(0.009)	(0.014)	(0.020)
Settled OM&A	3.04	2.65	3.80	3.98	2.71
Total Settlement Reduction	(0.09)	(0.09)	(0.13)	(0.14)	(0.10)

Evidence

The evidence in relation to this issue includes the following:

Pre-filed Evidence	Exhibit F-01-01; F-02-01
Interrogatories	I-01-04; I-01-05; I-01-06; I-01-07; I-01-08; I-01-11; I-01-20; I-01-21; I-02-02; I-02-03; I-03-04; I-03-05; I-03-07
Pre-Settlement Questions	N/A

Supporting Parties

AMPCO, CCC and SEC

Parties Taking No Position

None

1 **8. Are the amounts proposed to be included in the revenue requirement for income**
2 **taxes appropriate?**

3
4 **Complete Settlement**

5 Regulatory income taxes for B2M LP are determined by applying the statutory tax rate to
6 the regulatory taxable income allocated to HONI and HOIP, the taxable corporate partners
7 of B2M LP.

8
9 The Parties agree that the proposed income tax amounts included in the revenue
10 requirement are appropriate.

11
12 **Evidence**

13 The evidence in relation to this issue includes the following:

14

Pre-filed Evidence	Exhibit F-06-01; Exhibit F-06-01 Att. 2
Interrogatories	I-01-15; I-01-16; I-01-17; I-01-18
Pre-Settlement Questions	N/A

15
16 **Supporting Parties**

17 AMPCO, CCC and SEC

18
19 **Parties Taking No Position**

20 None

1 **9. *Is the proposed depreciation expense appropriate?***

2
3 **Complete Settlement**

4 The Parties agree that the proposed depreciation expense is appropriate.

5
6 **Evidence**

7 The evidence in relation to this issue includes the following:

8

Pre-filed Evidence	Exhibit F-05-01; Exhibit F-05-01 Att. 2 and 3
Interrogatories	I-01-31
Pre-Settlement Questions	N/A

9
10 **Supporting Parties**

11 AMPCO, CCC and SEC

12
13 **Parties Taking No Position**

14 None

1 **RATE BASE & COST OF CAPITAL, AND REVENUE REQUIREMENT**

2
3 **10. Are the amounts proposed for rate base reasonable?**

4
5 **Complete Settlement**

6 B2M LP has no capital spending planned (or associated in-service additions forecasted in
7 gross plant) over the five-year horizon of this Application. B2M LP's rate base is set out in
8 Exhibit C-01-01 of the Application.

9
10 The Parties agree that the proposed rate base is reasonable.

11
12 **Evidence**

13 The evidence in relation to this issue includes the following:

14

Pre-filed Evidence	Exhibit C-01-01; Exhibit C-01-01 Att. 1 through 5
Interrogatories	I-01-03
Pre-Settlement Questions	N/A

15
16 **Supporting Parties**

17 AMPCO, CCC and SEC

18
19 **Parties Taking No Position**

20 None

11. ***Is the proposed cost of capital (interest on long-term and short-term debt, return on equity) and capital structure appropriate?***

Complete Settlement

The Parties acknowledge the OEB's ongoing Generic Proceeding on Cost of Capital and Other Matters in EB-2024-0063 (the "**Generic Cost of Capital Proceeding**").

Notwithstanding the Generic Cost of Capital Proceeding, the Parties agreed that: (i) the 2025 to 2029 cost of common equity and short-term debt rate will be based on the OEB's 2025 cost of capital parameters to be published in the fourth quarter of 2024; (ii) the 2025 long-term debt rate will be based on actual debt issuances maturing in 2025, 2030 and 2050 and a forecast debt issue for the refinancing of the 2025 maturity using the Government of Canada bond yield forecast from the September 2024 Consensus Forecast; and (iii) the 2026 to 2029 long-term debt rate will be based on actual debt issuances. This will allow actual debt issuances made to refinance maturing debt in 2025 to be reflected in the 2026 revenue requirement and through to the end of the rate term.

There will be no further updates to cost of capital parameters throughout the term, except one application in 2025 to update the cost of long-term debt based on actual issuances in 2025. This will update and set the revenue requirements, effective on January 1 each year, for the remaining term from 2026 through to 2029.

B2M LP's deemed capital structure for rate-making purposes is 60% debt and 40% common equity of utility rate base. The 60% debt component is comprised of 4% deemed short-term debt and 56% long-term debt.

For clarity, nothing in this settlement shall preclude any party from taking any position and/or making submissions in the Generic Cost of Capital proceeding.

Evidence

The evidence in relation to this issue includes the following:

Pre-filed Evidence	Exhibit G-01-01; Exhibit G-01-02; Exhibit G-01-03
Interrogatories	I-01-25; I-01-26; I-01-29; I-01-30; I-02-07
Pre-Settlement Questions	N/A

Supporting Parties

AMPCO, CCC and SEC

Parties Taking No Position

None

1 **12. *Is the proposed calculation of the revenue requirement appropriate?***

2
3 **Complete Settlement**

4 Subject to the reduction to 2025 to 2029 OM&A expenditures by 3% each year, and a
5 further reduction of 0.15% starting in 2026 which will apply cumulatively from 2027 through
6 to 2029 as a Stretch Factor, the Parties agree that the proposed calculation of the revenue
7 requirement is appropriate.

8
9 **Evidence**

10 The evidence in relation to this issue includes the following:

11

Pre-filed Evidence	Exhibit E-01-01; Exhibit E-01-01, Att. 1
Interrogatories	I-01-03
Pre-Settlement Questions	N/A

12
13 **Supporting Parties**

14 AMPCO, CCC and SEC

15
16 **Parties Taking No Position**

17 None

1 **DEFERRAL/VARIANCE ACCOUNTS**

2
3 **13. Are the proposed amounts, disposition and continuance of existing deferral and**
4 **variance accounts appropriate?**

5
6 **Complete Settlement**

7 This Application requests continuation of B2M LP's current regulatory accounts, as
8 described in Exhibit G-01-01, Attachment 1 of its Application, and disposition of the ESM
9 balance as part of its revenue requirement over a one-year period commencing January
10 1, 2025.

11
12 With the Q3 and Q4 prescribed interest rates issued by the OEB, the ESM balance has
13 been updated to (\$773,801) to be disposed to customers over a one-year period.⁴

14
15 The Parties agree that the proposed amounts, disposition and continuance of existing
16 deferral and variance accounts are appropriate.

17
18 **Evidence**

19 The evidence in relation to this issue includes the following:

20

Pre-filed Evidence	Exhibit H-01-01; Exhibit H-01-01 Att. 1
Interrogatories	I-01-27
Pre-Settlement Questions	N/A

21
22 **Supporting Parties**

23 AMPCO, CCC and SEC

24
25 **Parties Taking No Position**

26 None

⁴ In response to Interrogatory I-01-27, the Q3 and Q4 2024 interest rates were updated. The projected interest calculation was further corrected for greater accuracy.

1 **C. ATTACHMENTS**

2
3 The following attachments that have been updated to reflect the terms of settlement are indicated
4 as UPDATED below:

- 5
6 Attachment 1: Exhibit C-01-01-01 (2020-2029 Continuity PP&E)
7 Attachment 2: Exhibit C-01-01-02 (2020-2029 Continuity Depreciation)
8 Attachment 3: Exhibit C-01-01-03 (2020-2025 Fixed Assets)
9 Attachment 4: Exhibit C-01-01-04 (2020-2029 Fixed Asset Continuity)
10 Attachment 5: Exhibit C-01-01-05 (Statement of Utility Rate Base)
11 Attachment 6: Exhibit E-01-01-01 (Calculation of Revenue Requirement – UPDATED)
12 Attachment 7: Exhibit F-05-01-01 (2020-2025 Depreciation Schedule)
13 Attachment 8: Exhibit F-05-01-02 (2025-2029 Depreciation Schedule)
14 Attachment 9: Exhibit F-06-01-01 (Historical Years Income Taxes and CCA)
15 Attachment 10: Exhibit F-06-01-02 (Test Year Taxable Income and CCA)
16 Attachment 11: Exhibit G-01-02 (Cost of Long Term Debt)⁵
17 Attachment 12: Exhibit G-01-03 (Capital Structure)⁶
18 Attachment 13: Exhibit H-01-01-01 (DVA Continuity Schedule – UPDATED)
19 Attachment 14: Exhibit H-01-01-02 (ESM Accounting Order)
20 Attachment 15: Exhibit I-04-01-01 (Proposed 2025 Uniform Transmission Rate
21 Schedules)
22 Attachment 16: Exhibit I-04-01-02 (Proposed 2025 Uniform Transmission Rates and
23 Revenue Disbursement Allocators – UPDATED)

⁵ This exhibit will be updated for the OEB's 2025 cost of capital parameters at the time of the Draft Rate Order

⁶ This exhibit will be updated for the OEB's 2025 cost of capital parameters at the time of the Draft Rate Order

<p align="center">B2M LP Continuity of Property, Plant and Equipment Historical (2020 - 2023), Bridge (2024) & Test (2025 - 2029) Years Year Ending December 31 Total - Gross Balances (\$ Millions)</p>								
Line No.	Year	Opening Balance	Additions	Retirements	Sales	Transfers In/Out	Closing Balance	Average
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Historic</u>								
1	2020	547.7	1.7	0.0	0.0	0.0	549.4	548.5
2	2021	549.4	0.8	0.0	0.0	0.0	550.2	549.8
3	2022	550.2	0.2	0.0	0.0	0.0	550.4	550.3
4	2023	550.4	0.0	0.0	0.0	0.0	550.4	550.4
<u>Bridge</u>								
5	2024	550.4	0.0	0.0	0.0	0.0	550.4	550.4
<u>Test</u>								
6	2025	550.4	0.0	0.0	0.0	0.0	550.4	550.4
7	2026	550.4	0.0	0.0	0.0	0.0	550.4	550.4
8	2027	550.4	0.0	0.0	0.0	0.0	550.4	550.4
9	2028	550.4	0.0	0.0	0.0	0.0	550.4	550.4
10	2029	550.4	0.0	0.0	0.0	0.0	550.4	550.4

B2M LP Continuity of Property, Plant and Equipment - Accumulated Depreciation Historical (2020-2023), Bridge (2024) & Test (2025 - 2029) Years Year Ending December 31 Total - Gross Balances (\$ Millions)								
Line No.	Year	Opening Balance	Additions	Retirements	Sales	Transfers In/Out and Other	Closing Balance	Average
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Historic</u>								
1	2020	57.4	7.2	0.0	0.0	0.0	64.6	61.0
2	2021	64.6	6.9	0.0	0.0	0.0	71.4	68.0
3	2022	71.4	6.9	0.0	0.0	0.0	78.3	74.9
4	2023	78.3	6.9	0.0	0.0	0.0	85.2	81.7
<u>Bridge</u>								
5	2024	85.2	6.9	0.0	0.0	0.0	92.0	88.6
<u>Test</u>								
6	2025	92.0	7.3	0.0	0.0	0.0	99.3	95.7
7	2026	99.3	7.3	0.0	0.0	0.0	106.6	103.0
8	2027	106.6	7.3	0.0	0.0	0.0	113.9	110.3
9	2028	113.9	7.3	0.0	0.0	0.0	121.2	117.6
10	2029	121.2	7.3	0.0	0.0	0.0	128.5	124.8

Appendix 2-BA
 Fixed Asset Continuity Schedule ¹

Accounting Standard USGAAP
 Year 2020

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁵	Closing Balance	
12	1610	Intangibles	\$ -			\$ -			\$ -		\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -			\$ -		\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -			\$ -		\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -			\$ -		\$ -
	1675	Generators	\$ -			\$ -			\$ -		\$ -
N/A	1615	Land	\$ -			\$ -			\$ -		\$ -
1	1620	Buildings and fixtures	\$ -			\$ -			\$ -		\$ -
N/A	1705	Land	\$ 12			\$ 12			\$ -		\$ 12
14.1	1706	Land rights	\$ 99			\$ 99	\$ 11	\$ 1.0	\$ 12		\$ 88
1	1708	Buildings and fixtures	\$ 0			\$ 0	\$ 0	\$ 0.0	\$ 0		\$ 0
47	1715	Station equipment	\$ -			\$ -			\$ -		\$ -
47	1720	Towers and fixtures	\$ 281			\$ 281	\$ 19	\$ 3.7	\$ 22		\$ 259
47	1730	Overhead conductors and devices	\$ 143	\$ 1.7		\$ 145	\$ 26	\$ 2.2	\$ 28		\$ 117
47	1735	Underground conduit	\$ -			\$ -			\$ -		\$ -
47	1740	Underground conductors and devices	\$ -			\$ -			\$ -		\$ -
17	1745	Roads and trails	\$ 12			\$ 12	\$ 3	\$ 0.2	\$ 3		\$ 9
N/A	1905	Land	\$ -			\$ -			\$ -		\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -			\$ -		\$ -
13	1910	Leasehold Improvements	\$ -			\$ -			\$ -		\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -			\$ -		\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -			\$ -		\$ -
	1925	Computer software	\$ -			\$ -			\$ -		\$ -
10	1930	Transportation Equipment	\$ -			\$ -			\$ -		\$ -
8	1935	Stores Equipment	\$ -			\$ -			\$ -		\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -			\$ -		\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -			\$ -		\$ -
8	1950	Power Operated Equipment	\$ -			\$ -			\$ -		\$ -
8	1955	Communications Equipment	\$ 0			\$ 0	\$ 0	\$ 0.0	\$ 0		\$ 0
8	1960	Miscellaneous Equipment	\$ -			\$ -			\$ -		\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -			\$ -		\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -			\$ -		\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -			\$ -		\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -			\$ -		\$ -
47	1990	Other Tangible Property	\$ -			\$ -			\$ -		\$ -
47	1995	Contributions & Grants	\$ -			\$ -			\$ -		\$ -
47	2440	Deferred Revenues	\$ -			\$ -			\$ -		\$ -
		Sub-Total	\$ 547.7	\$ 1.7	\$ -	\$ 549.4	\$ 57.4	\$ 7.2	\$ -	\$ 64.6	\$ 485
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -			\$ -		\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -			\$ -		\$ -
		Total PP&E	\$ 547.7	\$ 1.7	\$ -	\$ 549.4	\$ 57.4	\$ 7.2	\$ -	\$ 64.6	\$ 485
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total							\$ 7		

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 7.2

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2021

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 11.6	\$ 1.0		\$ 12.5	\$ 87.0
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 22.4	\$ 3.6		\$ 26.0	\$ 255.4
47	1730	Overhead conductors and devices	\$ 144.8	\$ 0.8		\$ 145.6	\$ 27.7	\$ 2.1		\$ 29.8	\$ 115.8
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 2.9	\$ 0.2		\$ 3.1	\$ 8.5
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 549.4	\$ 0.8	\$ -	\$ 550.2	\$ 64.6	\$ 6.9	\$ -	\$ 71.4	\$ 478.8
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 549.4	\$ 0.8	\$ -	\$ 550.2	\$ 64.6	\$ 6.9	\$ -	\$ 71.4	\$ 478.8
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total						\$ 6.9			

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation \$ 6.9

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2022

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁵	Closing Balance	Net Book Value
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 12.5	\$ 1.0		\$ 13.5	\$ 86.0
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 26.0	\$ 3.6		\$ 29.6	\$ 251.8
47	1730	Overhead conductors and devices	\$ 145.6	\$ 0.2		\$ 145.8	\$ 29.8	\$ 2.1		\$ 31.9	\$ 113.8
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 3.1	\$ 0.2		\$ 3.3	\$ 8.3
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.2	\$ 0.2	\$ -	\$ 550.4	\$ 71.4	\$ 6.9	\$ -	\$ 78.3	\$ 472.1
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.2	\$ 0.2	\$ -	\$ 550.4	\$ 71.4	\$ 6.9	\$ -	\$ 78.3	\$ 472.1
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 6.9				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 6.9

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2023

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 13.5	\$ 1.0		\$ 14.4	\$ 85.0
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 29.6	\$ 3.6		\$ 33.2	\$ 248.2
47	1730	Overhead conductors and devices	\$ 145.8	\$ -		\$ 145.8	\$ 31.9	\$ 2.1		\$ 34.0	\$ 111.7
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 3.3	\$ 0.2		\$ 3.5	\$ 8.1
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 78.3	\$ 6.9	\$ -	\$ 85.2	\$ 465.2
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 78.3	\$ 6.9	\$ -	\$ 85.2	\$ 465.2
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 6.9				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 6.9

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
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- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2024

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 14.4	\$ 1.0		\$ 15.4	\$ 84.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 33.2	\$ 3.6		\$ 36.8	\$ 244.6
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 34.0	\$ 2.1		\$ 36.1	\$ 109.6
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 3.5	\$ 0.2		\$ 3.7	\$ 7.9
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 85.2	\$ 6.9	\$ -	\$ 92.0	\$ 458.3
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 85.2	\$ 6.9	\$ -	\$ 92.0	\$ 458.3
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 6.9				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 6.9

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
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- The additions in column (E) must not include construction work in progress (CWIP).
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- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2025

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 15.4	\$ 1.0		\$ 16.4	\$ 83.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 36.8	\$ 4.1		\$ 40.8	\$ 240.5
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 36.1	\$ 2.1		\$ 38.2	\$ 107.6
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 3.7	\$ 0.2		\$ 3.9	\$ 7.7
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 92.0	\$ 7.3	\$ -	\$ 99.3	\$ 451.0
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 92.0	\$ 7.3	\$ -	\$ 99.3	\$ 451.0
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 7.3				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 7.3

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
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- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

Appendix 2-BA
 Fixed Asset Continuity Schedule ¹

Accounting Standard USGAAP
 Year 2025

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 15.4	\$ 1.0		\$ 16.4	\$ 83.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 36.8	\$ 4.1		\$ 40.8	\$ 240.5
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 36.1	\$ 2.1		\$ 38.2	\$ 107.6
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 3.7	\$ 0.2		\$ 3.9	\$ 7.7
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenue ⁵	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 92.0	\$ 7.3	\$ -	\$ 99.3	\$ 451.0
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 92.0	\$ 7.3	\$ -	\$ 99.3	\$ 451.0
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 7.3				

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 7.3

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3)
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

10	Transportation
8	Stores Equipment

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2026

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 16.4	\$ 1.0		\$ 17.4	\$ 82.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 40.8	\$ 4.1		\$ 44.9	\$ 236.4
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 38.2	\$ 2.1		\$ 40.2	\$ 105.5
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 3.9	\$ 0.2		\$ 4.1	\$ 7.5
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 99.3	\$ 7.3	\$ -	\$ 106.6	\$ 443.7
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 99.3	\$ 7.3	\$ -	\$ 106.6	\$ 443.7
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 7.3				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation \$ 7.3

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2027

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 17.4	\$ 1.0		\$ 18.4	\$ 81.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 44.9	\$ 4.1		\$ 49.0	\$ 232.4
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 40.2	\$ 2.1		\$ 42.3	\$ 103.5
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 4.1	\$ 0.2		\$ 4.3	\$ 7.3
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 106.6	\$ 7.3	\$ -	\$ 113.9	\$ 436.5
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 106.6	\$ 7.3	\$ -	\$ 113.9	\$ 436.5
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 7.3				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation \$ 7.3

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule ¹**

Accounting Standard USGAAP
Year 2028

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁵	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 18.4	\$ 1.0		\$ 19.4	\$ 80.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 49.0	\$ 4.1		\$ 53.0	\$ 228.3
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 42.3	\$ 2.1		\$ 44.4	\$ 101.4
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 4.3	\$ 0.2		\$ 4.5	\$ 7.1
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenues	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 113.9	\$ 7.3	\$ -	\$ 121.2	\$ 429.2
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 113.9	\$ 7.3	\$ -	\$ 121.2	\$ 429.2
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 7.3				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation \$ 7.3

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

**Appendix 2-BA
Fixed Asset Continuity Schedule¹**

Accounting Standard USGAAP
Year 2029

CCA Class ²	OEB Account ³	Description ³	Cost				Accumulated Depreciation				Net Book Value
			Opening Balance	Additions ⁴	Disposals ⁶	Closing Balance	Opening Balance	Additions	Disposals ⁶	Closing Balance	
12	1610	Intangibles	\$ -			\$ -	\$ -			\$ -	\$ -
12	1611	Computer Software (Formally known as Account 1925)	\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1612	Land Rights (Formally known as Account 1906)	\$ -			\$ -	\$ -			\$ -	\$ -
	1665	Fuel holders, producers and acc.	\$ -			\$ -	\$ -			\$ -	\$ -
	1675	Generators	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1615	Land	\$ -			\$ -	\$ -			\$ -	\$ -
1	1620	Buildings and fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1705	Land	\$ 12.2			\$ 12.2	\$ -	\$ -		\$ -	\$ 12.2
14.1	1706	Land rights	\$ 99.5			\$ 99.5	\$ 19.4	\$ 1.0		\$ 20.3	\$ 79.1
1	1708	Buildings and fixtures	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
47	1715	Station equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1720	Towers and fixtures	\$ 281.3			\$ 281.3	\$ 53.0	\$ 4.1		\$ 57.1	\$ 224.3
47	1730	Overhead conductors and devices	\$ 145.8			\$ 145.8	\$ 44.4	\$ 2.1		\$ 46.4	\$ 99.4
47	1735	Underground conduit	\$ -			\$ -	\$ -			\$ -	\$ -
47	1740	Underground conductors and devices	\$ -			\$ -	\$ -			\$ -	\$ -
17	1745	Roads and trails	\$ 11.6			\$ 11.6	\$ 4.5	\$ 0.2		\$ 4.7	\$ 6.9
N/A	1905	Land	\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures	\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware	\$ -			\$ -	\$ -			\$ -	\$ -
	1925	Computer software	\$ -			\$ -	\$ -			\$ -	\$ -
10	1930	Transportation Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1935	Stores Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1940	Tools, Shop & Garage Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment	\$ 0.0			\$ 0.0	\$ 0.0	\$ 0.0		\$ 0.0	\$ 0.0
8	1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
47	1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
47	2440	Deferred Revenue ⁵	\$ -			\$ -	\$ -			\$ -	\$ -
		Sub-Total	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 121.2	\$ 7.3	\$ -	\$ 128.5	\$ 421.9
		Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
		Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
		Total PP&E	\$ 550.4	\$ -	\$ -	\$ 550.4	\$ 121.2	\$ 7.3	\$ -	\$ 128.5	\$ 421.9
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable⁶									
		Total					\$ 7.3				

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation
 Stores Equipment
Net Depreciation \$ 7.3

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The additions in column (E) must not include construction work in progress (CWIP).
- Effective on the date of IFRS adoption, customer contributions will no longer be recorded in Account 1995 Contributions & Grants, but will be recorded in Account 2440, Deferred Revenues.
- The applicant must ensure that all asset disposals have been clearly identified in the Chapter 2 Appendices for all historic, bridge and test years. Where a distributor for general financial reporting purposes under IFRS has accounted for the amount of gain or loss on the retirement of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings, the distributor shall reclassify such gains and losses as depreciation expense, and disclose the amount separately.

B2M LP
Statement of Average Rate Base
Bridge Year (2024) and Test Years (2025-2029)
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2024	2025	2026	2027	2028	2029
	<u>Electric Utility Plant</u>						
1	Gross plant at cost	\$ 550.4	550.4	550.4	550.4	550.4	550.4
2	Less: accumulated depreciation	92.0	99.3	106.6	113.9	121.2	128.5
3	Net plant for rate base	<u>458.3</u>	<u>451.0</u>	<u>443.7</u>	<u>436.5</u>	<u>429.2</u>	<u>421.9</u>
4	Average net plant for rate base	461.8	454.7	447.4	440.1	432.8	425.5
5	Construction work in progress	0.0	0.0	0.0	0.0	0.0	0.0
6	Average net utility plant	<u>\$ 461.8</u>	<u>454.7</u>	<u>447.4</u>	<u>440.1</u>	<u>432.8</u>	<u>425.5</u>
	<u>Working Capital</u>						
7	Cash working capital	0.0	0.0	0.0	0.0	0.0	0.0
8	Materials and Supplies Inventory	0.0	0.0	0.0	0.0	0.0	0.0
9	Total working capital	0.0	0.0	0.0	0.0	0.0	0.0
10	Total rate base	<u>\$ 461.8</u>	<u>454.7</u>	<u>447.4</u>	<u>440.1</u>	<u>432.8</u>	<u>425.5</u>

B2M LP
Calculation of Revenue Requirement (2025 to 2029)
Year Ending December 31
(\$ Millions)

Line No.	Particulars	Test 2025 (a)	Test 2026 (a)	Test 2027 (a)	Test 2028 (a)	Test 2029 (a)
	Cost of Service					
1	Operating, maintenance & administrative	\$ 3.0	2.6	3.8	4.0	2.7
2	Depreciation	7.3	7.3	7.3	7.3	7.3
3	Income taxes	2.6	2.8	3.1	3.2	3.3
4	Cost of service excluding return on capital	\$ 12.9	12.7	14.2	14.5	13.3
5	Return on capital	25.7	25.6	25.2	24.7	24.3
6	Total revenue requirement	\$ 38.7	38.3	39.3	39.2	37.6

Depreciation and Amortization Expenses

B2M LP
Depreciation & Amortization Expenses
2020-2023 Historical, 2024 Bridge, 2025 Test
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2020		2021		2022		2023		2024		2025	
		Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)
<u>Depreciation Expenses</u>													
1	Major Fixed Assets												
2	Towers, Fixtures & Poles	1.33%	3.74	1.28%	3.60	1.28%	3.60	1.28%	3.60	1.28%	3.60	1.44%	4.05
3	OH Conductors & Devices	1.54%	2.22	1.44%	2.09	1.44%	2.10	1.44%	2.10	1.44%	2.10	1.41%	2.06
4	Land Rights	1.00%	0.99	0.96%	0.95	0.96%	0.95	0.96%	0.95	0.96%	0.95	1.00%	0.99
5	Roads & Trails	1.99%	0.23	1.81%	0.21	1.81%	0.21	1.81%	0.21	1.81%	0.21	1.62%	0.19
6	Buildings and Fixtures	1.70%	0.00	1.81%	0.00	1.81%	0.00	1.81%	0.00	1.81%	0.00	1.63%	0.00
7	Communication Equipment	4.48%	0.00	4.16%	0.00	4.16%	0.00	4.16%	0.00	4.16%	0.00	5.05%	0.00
8	Depreciation on Fixed Assets	1.37%	7.18	1.30%	6.86	1.30%	6.86	1.30%	6.87	1.30%	6.87	1.38%	7.29
9	Less Capitalized Depreciation		-		-		-		-		-		-
10	Asset Removal Costs		0.20		0.04		0.01		-		-		-
11	Total Depreciation Expenses		<u>7.39</u>		<u>6.90</u>		<u>6.88</u>		<u>6.87</u>		<u>6.87</u>		<u>7.29</u>
<u>Amortization Expenses</u>													
12	Other Amortization		-		-		-		-		-		-
13	Total Amortization Expenses		-		-		-		-		-		-
14	Total Depreciation & Amortization Expenses		<u>7.39</u>		<u>6.90</u>		<u>6.88</u>		<u>6.87</u>		<u>6.87</u>		<u>7.29</u>
15	Depreciation & Amortization for recovery		<u>7.39</u>		<u>6.90</u>		<u>6.88</u>		<u>6.87</u>		<u>6.87</u>		<u>7.29</u>

Depreciation and Amortization Expenses

B2M LP
Depreciation & Amortization Expenses
2025 - 2029 Test Year
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2025		2026		2027		2028		2029	
		Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)	Deprn Rate (a)	Provision (\$M) (b)
	<u>Depreciation Expenses</u>										
1	Major Fixed Assets										
2	Towers, Fixtures & Poles	1.44%	4.05	1.44%	4.05	1.44%	4.05	1.44%	4.05	1.44%	4.05
3	OH Conductors & Devices	1.41%	2.06	1.41%	2.06	1.41%	2.06	1.41%	2.06	1.41%	2.06
4	Land Rights	1.00%	0.99	1.00%	0.99	1.00%	0.99	1.00%	0.99	1.00%	0.99
5	Roads & Trails	1.62%	0.19	1.62%	0.19	1.62%	0.19	1.62%	0.19	1.62%	0.19
6	Buildings and Fixtures	1.63%	0.00	1.63%	0.00	1.63%	0.00	1.63%	0.00	1.63%	0.00
7	Communication Equipment	5.05%	0.00	5.05%	0.00	5.05%	0.00	5.05%	0.00	5.05%	0.00
8	Depreciation on Fixed Assets	1.38%	7.29	1.38%	7.29	1.38%	7.29	1.38%	7.29	1.38%	7.29
9	Less Capitalized Depreciation		-		-		-		-		-
10	Asset Removal Costs		-		-		-		-		-
11	Total Depreciation Expenses		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>
	<u>Amortization Expenses</u>										
12	Other Amortization		-		-		-		-		-
13	Total Amortization Expenses		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>
14	Total Depreciation & Amortization Expenses		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>
15	Depreciation & Amortization for recovery		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>		<u>7.29</u>

B2M LP
Calculation of Utility income Tax
2020 - 2023 Historical Years
Year Ending December 31
(\$ Millions)

Tax Expense				
	2020	2021	2022	2023
Hydro One Networks Inc. ("HONI")	0.6	1.2	1.4	1.8
Hydro One Indigenous Partnership Inc. ("HOIP")	0.0	0.0	0.0	0.0
Saugeen Ojibway Nation Finance Corporation ("SON FC")	-	-	-	-
Total	0.6	1.2	1.5	1.8

*Prior to 2020, Hydro One Indigenous Partnership GP (HOIP GP) held the 65.7% of the B2M LP partnership units. To simplify the Hydro One Inc.'s ownership structure and to create a common general and Niagara Reinforcement LP, HOIP GP transferred its limited partnership interest to Hydro One Networks Inc. (HONI)

B2M LP

Line No.	Particulars	2020	2021	2022	2023
<u>Determination of Taxable Income</u>					
1	Net Income before Tax	17.0	17.8	20.0	20.7
<u>Recurring items included in Revenue Requirement (RR):</u>					
2	Permanent differences	-	-	-	-
3	Depreciation and amortization	7.2	6.9	6.9	6.9
4	Capital Cost Allowance	(19.5)	(18.0)	(16.6)	(15.3)
5	Regulatory asset - transitional recovery	**	-	-	-
6	Other	0.2	0.0	0.0	-
<u>Recurring items included not part of RR</u>					
7	Regulatory assets and regulatory liabilities	(2.1)	2.0	0.1	0.7
8	Total Adjustments	(14.3)	(9.1)	(9.7)	(7.8)
9	Taxable Income/(Loss) before Loss Carryforward	2.8	8.7	10.3	12.9
10	Allocation of Taxable Income	-	-	-	-
11	Hydro One Networks Inc. ("HONI")	2.1	6.0	7.2	8.9
12	Hydro One Indigenous Partnership Inc. ("HOIP")	0.0	0.0	0.0	0.0
13	Saugeen Ojibway Nation Finance Corporation ("SON FC")	0.7	2.7	3.1	4.0
14	Total	2.8	8.7	10.3	12.9

**Regulatory Asset - Transitional Recovery represents B2M set-up costs that can be recovered from the OEB from 2015-2019. The receipt needs to be included in income in the year it's received under 1:

Hydro One Networks Inc. ("HONI")

Line No.	Particulars	2020	2021	2022	2023
<u>Determination of Income Taxes</u>					
1	Net Income before Tax	0.0	-	-	-
2	Allocation of Taxable Income to HONI from B2M LP	2.1	6.0	7.2	8.9
3	Loss Carryforward - included	-	-	-	-
4	Taxable Income after loss carryforward	2.1	6.0	7.2	8.9
5	Tax Rate	26.5%	26.5%	26.5%	26.5%
6	Income Tax Expense	0.6	1.6	1.9	2.4
7	Corporate Minimum Tax Payable	0.1	(0.4)	(0.5)	(0.6)
8	Total Taxes Expense for HON	0.6	1.2	1.4	1.8
<u>Corporate Minimum Tax Carryforward</u>					
	Opening CMT Credit Carryforward	1.3	1.4	1.0	0.6
	CMT Paid/CMT credit Utilized	0.1	(0.4)	(0.5)	(0.6)
	Ending CMT Credit Carryforward	1.4	1.0	0.6	-

Hydro One Indigenous Partnership Inc. ("HOIP")

Line No.	Particulars	2020	2021	2022	2023
<u>Determination of Income Taxes</u>					
1	Net Income before Tax	0.0	0.0	0.0	0.0
2	Allocation of Taxable Income to HOIP from B2M LP	0.0	0.0	0.0	0.0
3	Loss Carryforward - included	-	-	-	-
4	Taxable Income after loss carryforward	0.02	0.03	0.03	0.03
5	Tax Rate	26.5%	26.5%	26.5%	26.5%
6	Income Tax Expense	0.0	0.0	0.0	0.0
7	Corporate Minimum Tax Payable	0.0	0.0	0.0	-
8	Total Taxes Expense for HOIF	0.0	0.0	0.0	0.0

Saugeen Ojibway Nation Finance Corporation ("SON FC")

Line No.	Particulars	2020	2021	2022	2023
<u>Determination of Income Taxes</u>					
1	Allocation of Taxable Income from Hydro One B2M LP	0.68	2.68	3.12	3.99
2	Tax Rate	0.0%	0.0%	0.0%	0.0%
3	Sub Total	-	-	-	-
4	Income Tax Expense	-	-	-	-

B2M LP
Calculation of Capital Cost allowance (CCA)
Historical Years (2020 - 2023)
Year Ending December 31
(\$ Millions)

2020	CCA Class	Opening UCC	Net Additions	Transfers	Net Adjustments	UCC pre-1/2 yr	Adj for accel CCA	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.6	-	-	-	2.6	-	2.6	4%	0.104	2.5
	12	-	-	-	-	-	-	-	100%	-	-
	14.1 (ECE) **	47.3	-	-	-	47.3	-	47.3	7%	3.310	44.0
	47	198.8	1.9	-	-	200.6	0.9	201.6	8%	16.124	184.5
	UCC	248.7	1.9	-	-	250.5	0.9	251.4		19.538	231.0

TOTAL CCA and ECE 19.5

2021	CCA Class	Opening UCC	Net Additions	Transfers	Net Adjustments	UCC pre-1/2 yr	Adj for accel CCA	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.5	-	-	-	2.5	-	2.5	4%	0.1	2.4
	12	-	-	-	-	-	-	-	100%	-	-
	14.1 (ECE) **	44.0	-	-	-	44.0	-	44.0	7%	3.1	40.9
	47	184.5	0.8	-	-	185.3	0.4	185.8	8%	14.9	170.5
	UCC	231.0	0.8	-	-	231.8	0.4	232.2		18.0	213.8

TOTAL CCA 18.0

2022	CCA Class	Opening UCC	Net Additions	Transfers	Net Adjustments	UCC pre-1/2 yr	Adj for accel CCA	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.4	-	-	-	2.4	-	2.4	4%	0.1	2.3
	12	-	-	-	-	-	-	-	100%	-	-
	14.1 (ECE) **	40.9	-	-	-	40.9	-	40.9	7%	2.9	38.0
	47	170.5	0.2	-	-	170.7	0.1	170.8	8%	13.7	157.0
	UCC	213.8	0.2	-	-	214.0	0.1	214.1		16.6	197.3

TOTAL CCA 16.6

2023	CCA Class	Opening UCC	Net Additions	Transfers	Net Adjustments	UCC pre-1/2 yr	Adj for accel CCA	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.3	-	-	-	2.3	-	2.3	4%	0.1	2.2
	12	-	-	-	-	-	-	-	100%	-	-
	14.1 (ECE) **	38.0	-	-	-	38.0	-	38.0	7%	2.7	35.4
	47	157.0	-	-	-	157.0	-	157.0	8%	12.6	144.4
	UCC	197.3	-	-	-	197.3	-	197.3		15.3	182.0

TOTAL CCA 15.3

Note:

** The Eligible Capital Expenditures (ECE) was transferred to Class 14.1 for taxation years beginning January 1, 2017. The CCA rate will remain at 7% for tax years that end prior to 2027

B2M LP

Calculation of Capital Cost allowance (CCA)
 Bridge (2024) and Test Years (2025 to 2029)
 Year Ending December 31
 (\$ Millions)

2024	CCA Class	Opening UCC	Net Additions	UCC pre-1/2 yr	50% net additions	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.21	-	2.21	-	2.21	0.04	0.09	2.12
	14.1 (Pre-2017)	35.4	-	35.4	-	35.4	0.1	2.5	32.9
	14.1 (Post-2017)	0.0	-	0.0	-	0.0	0.1	0.0	0.0
	47	144.3	-	144.3	-	144.3	0.1	11.5	132.7
	UCC	181.9	-	181.9	-	181.9	0.2	14.1	167.8
TOTAL CCA								14.1	

2025	CCA Class	Opening UCC	Net Additions	UCC pre-1/2 yr	50% net additions	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.1	-	2.1	-	2.1	0.0	0.1	2.0
	14.1 (Pre-2017)	32.9	-	32.9	-	32.9	0.1	2.3	30.6
	14.1 (Post-2017)	0.0	-	0.0	-	0.0	0.1	0.0	0.0
	47	132.7	-	132.7	-	132.7	0.1	10.6	122.1
	UCC	167.8	-	167.8	-	167.8	0.2	13.0	154.8
TOTAL CCA								13.0	

2026	CCA Class	Opening UCC	Net Additions	UCC pre-1/2 yr	50% net additions	UCC for CCA	CCA Rate	CCA	Closing UCC
	1	2.0	-	2.0	-	2.0	0.0	0.1	2.0
	14.1 (Pre-2017)	30.6	-	30.6	-	30.6	0.1	2.1	28.5
	14.1 (Post-2017)	0.0	-	0.0	-	0.0	0.1	0.0	0.0
	47	122.1	-	122.1	-	122.1	0.1	9.8	112.3
	UCC	154.8	-	154.8	-	154.8	0.2	12.0	142.8
TOTAL CCA								12.0	

2027			Net		50% net				
<u>CCA Class</u>	<u>Opening UCC</u>	<u>Additions</u>	<u>UCC pre-1/2 yr</u>	<u>additions</u>	<u>UCC for CCA</u>	<u>CCA Rate</u>	<u>CCA</u>	<u>Closing UCC</u>	
1	2.0	-	2.0	-	2.0	0.0	0.1	1.9	
14.1 (Pre-2017)	28.5	-	28.5	-	28.5	0.1	1.4	27.0	
14.1 (Post-2017)	0.0	-	0.0	-	0.0	0.1	0.0	0.0	
47	112.3	-	112.3	-	112.3	0.1	9.0	103.4	
UCC	142.8	-	142.8	-	142.8	0.2	10.5	132.3	
TOTAL CCA							10.5		

2028			Net		50% net				
<u>CCA Class</u>	<u>Opening UCC</u>	<u>Additions</u>	<u>UCC pre-1/2 yr</u>	<u>additions</u>	<u>UCC for CCA</u>	<u>CCA Rate</u>	<u>CCA</u>	<u>Closing UCC</u>	
1	1.9	-	1.9	-	1.9	0.0	0.1	1.8	
14.1 (Pre-2017)	27.0	-	27.0	-	27.0	0.1	1.4	25.7	
14.1 (Post-2017)	0.0	-	0.0	-	0.0	0.1	0.0	0.0	
47	103.4	-	103.4	-	103.4	0.1	8.3	95.1	
UCC	132.3	-	132.3	-	132.3	0.2	9.7	122.6	
TOTAL CCA							9.7		

2029			Net		50% net				
<u>CCA Class</u>	<u>Opening UCC</u>	<u>Additions</u>	<u>UCC pre-1/2 yr</u>	<u>additions</u>	<u>UCC for CCA</u>	<u>CCA Rate</u>	<u>CCA</u>	<u>Closing UCC</u>	
1	1.8	-	1.8	-	1.8	0.0	0.1	1.7	
14.1 (Pre-2017)	25.7	-	25.7	-	25.7	0.1	1.3	24.4	
14.1 (Post-2017)	0.0	-	0.0	-	0.0	0.1	0.0	0.0	
47	95.1	-	95.1	-	95.1	0.1	7.6	87.5	
UCC	122.6	-	122.6	-	122.6	0.2	9.0	113.6	
TOTAL CCA							9.0		

Bruce to Milton Partnership
Cost of Long-Term Debt Capital
Test Year (2025)
Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		1/1/2025 Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates (m)
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/2024 (\$Millions)	at 12/31/2025 (\$Millions)			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	30-Apr-20	1.780%	28-Feb-25	85.8	0.3	85.5	99.63	1.86%	85.8	0.0	13.2	0.2	
2	30-Apr-20	2.180%	28-Feb-30	100.4	0.4	100.0	99.58	2.23%	100.4	98.3	98.7	2.2	
3	30-Apr-20	2.730%	28-Feb-50	76.4	0.4	75.9	99.42	2.76%	76.4	76.4	76.4	2.1	
4	28-Feb-25	4.348%	28-Feb-35	85.8	0.4	85.4	99.50	4.41%	0.0	83.8	71.8	3.2	
5		Subtotal							262.5	258.5	260.0	7.7	
6		Treasury OM&A costs										0.1	
7		Other financing-related fees										0.2	
8		Total							262.5	258.5	260.0	8.0	3.07%

Note 1 - All debt is 3rd party issued debt with fixed rates

Bruce to Milton Partnership
Cost of Long-Term Debt Capital
Test Year (2026)
Year ending December 31

Line No.	Offering Date	Coupon Rate	Maturity Date	Principal Amount Offered (\$Millions)	Premium Discount and Expenses (\$Millions)	Net Capital Employed		Effective Cost Rate	Total Amount Outstanding		Avg. Monthly Averages (\$Millions)	Carrying Cost (\$Millions)	Projected Average Embedded Cost Rates
						Total Amount (\$Millions)	Per \$100 Principal Amount (Dollars)		at 12/31/2025 (\$Millions)	at 12/31/2026 (\$Millions)			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	30-Apr-20	2.180%	28-Feb-30	98.3	0.4	97.9	99.58	2.23%	98.3	98.3	98.3	2.2	
2	30-Apr-20	2.730%	28-Feb-50	76.4	0.4	75.9	99.42	2.76%	76.4	76.4	76.4	2.1	
3	28-Feb-25	4.348%	28-Feb-35	83.8	0.4	83.3	99.50	4.41%	83.8	79.7	81.9	3.6	
4		Subtotal							<u>258.5</u>	<u>254.4</u>	<u>256.6</u>	<u>7.9</u>	
5		Treasury OM&A costs										0.1	
6		Other financing-related fees										0.2	
7		Total							<u><u>258.5</u></u>	<u><u>254.4</u></u>	<u><u>256.6</u></u>	<u><u>8.2</u></u>	<u><u>3.18%</u></u>

Note 1 - All debt is 3rd party issued debt with fixed rates

B2M LP
Debt and Equity Summary
Historical Years (2019, 2020, 2021, 2022, 2023) and Bridge Year (2024)
As at December 31
(\$ Millions)

Updated Line No.	Particulars	Amount Outstanding 2019	Amount Outstanding 2020	Amount Outstanding 2021	Amount Outstanding 2022	Amount Outstanding 2023	Amount Outstanding 2024
		Actual (a)	Actual (a)	Actual (b)	Actual (c)	Actual (d)	Bridge (e)
1	Long-term debt	279.4	279.9	274.1	270.2	266.4	262.5
2	Short-term debt	20.5	20.0	19.6	19.3	19.0	18.8
3	Preference shares	-	-	-	-	-	-
4	Common equity	198.5	195.4	192.9	192.3	189.7	184.7

B2M LP
Summary of Cost of Capital
Test Year 2025
Utility Capital Structure
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2025		Cost Rate	Return
		(\$M)	%	(%)	(\$M)
		(a)	(b)	(c)	(d)
1	Long-term debt	260.0	57.2%	3.07%	8.0
2	Short-term debt	18.2	4.0%	6.23%	1.1
3	Deemed long-term debt	(5.4)	(1.2%)	3.07%	(0.2)
4	Total debt	272.8	60.0%	3.28%	9.0
5	Common equity	181.9	40.0%	9.21%	16.8
6	Total rate base	<u>454.7</u>	<u>100.0%</u>	<u>5.65%</u>	<u>25.7</u>

Long term debt (\$M) based on Average Monthly Total Debt outstanding G-01-02

Long term debt % based on Projected Average Embedded Cost Rate G-01-02

Short term debt % based on OEB's 2024 Cost of Capital Parameters

Common Equity % based on OEB's 2024 Cost of Capital Parameters

Total rate base from C-01-01

B2M LP
Summary of Cost of Capital
Test Year 2026
Utility Capital Structure
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2026		Cost Rate (%)	Return (\$M)
		(\$M)	%		
		(a)	(b)		
1	Long-term debt	256.6	57.3%	3.18%	8.2
2	Short-term debt	17.9	4.0%	6.23%	1.1
3	Deemed long-term debt	(6.0)	(1.3%)	3.18%	(0.2)
4	Total debt	268.4	60.0%	3.39%	9.1
5	Common equity	179.0	40.0%	9.21%	16.5
6	Total rate base	<u>447.4</u>	<u>100.0%</u>	<u>5.72%</u>	<u>25.6</u>

Long term debt (\$M) based on Average Monthly Total Debt outstanding G-01-02

Long term debt % based on Projected Average Embedded Cost Rate G-01-02

Short term debt % based on OEB's 2024 Cost of Capital Parameters

Common Equity % based on OEB's 2024 Cost of Capital Parameters

Total rate base from C-01-01

B2M LP
Summary of Cost of Capital
Test Year 2027
Utility Capital Structure
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2027		Cost Rate	Return
		(\$M)	%	(%)	(\$M)
		(a)	(b)	(c)	(d)
1	Long-term debt	252.5	57.4%	3.18%	8.0
2	Short-term debt	17.6	4.0%	6.23%	1.1
3	Deemed long-term debt	(6.0)	(1.4%)	3.18%	(0.2)
4	Total debt	264.1	60.0%	3.39%	8.9
5	Common equity	176.0	40.0%	9.21%	16.2
6	Total rate base	<u>440.1</u>	<u>100.0%</u>	<u>5.72%</u>	<u>25.2</u>

Long term debt (\$M) based on Average Monthly Total Debt outstanding G-01-02

Long term debt % based on Projected Average Embedded Cost Rate G-01-02

Short term debt % based on OEB's 2024 Cost of Capital Parameters

Common Equity % based on OEB's 2024 Cost of Capital Parameters

Total rate base from C-01-01

B2M LP
Summary of Cost of Capital
Test Year 2028
Utility Capital Structure
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2028		Cost Rate (%)	Return (\$M)
		(\$M)	%		
		(a)	(b)		
1	Long-term debt	248.4	57.4%	3.18%	7.9
2	Short-term debt	17.3	4.0%	6.23%	1.1
3	Deemed long-term debt	(6.0)	(1.4%)	3.18%	(0.2)
4	Total debt	259.7	60.0%	3.39%	8.8
5	Common equity	173.1	40.0%	9.21%	15.9
6	Total rate base	<u>432.8</u>	<u>100.0%</u>	<u>5.72%</u>	<u>24.7</u>

Long term debt (\$M) based on Average Monthly Total Debt outstanding G-01-02

Long term debt % based on Projected Average Embedded Cost Rate G-01-02

Short term debt % based on OEB's 2024 Cost of Capital Parameters

Common Equity % based on OEB's 2024 Cost of Capital Parameters

Total rate base from C-01-01

B2M LP
Summary of Cost of Capital
Test Year 2029
Utility Capital Structure
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2029		Cost Rate (%)	Return (\$M)
		(\$M)	%		
		(a)	(b)	(c)	(d)
1	Long-term debt	244.3	57.4%	3.18%	7.8
2	Short-term debt	17.0	4.0%	6.23%	1.1
3	Deemed long-term debt	(6.0)	(1.4%)	3.18%	(0.2)
4	Total debt	255.3	60.0%	3.39%	8.6
5	Common equity	170.2	40.0%	9.21%	15.7
6	Total rate base	<u>425.5</u>	<u>100.0%</u>	<u>5.72%</u>	<u>24.3</u>

Long term debt (\$M) based on Average Monthly Total Debt outstanding G-01-02

Long term debt % based on Projected Average Embedded Cost Rate G-01-02

Short term debt % based on OEB's 2024 Cost of Capital Parameters

Common Equity % based on OEB's 2024 Cost of Capital Parameters

Total rate base from C-01-01

B2M LP
Summary of Cost of Capital
Last OEB-approved year (2020)
Utility Capital Structure
Year Ending December 31
(\$ Millions)

Line No.	Particulars	2020			
		Cost Rate (%)	Return (\$M)	(a)	(b)
I	Long-term debt	2.59%	7.1	273.5	56.0%
2	Short-term debt	2.75%	0.5	19.5	4.0%
3	Deemed long-term debt	2.59%	0.0	0.0	0.0%
4	Total debt	2.60%	7.6	293.0	60.0%
5	Common equity	8.52%	16.6	195.4	40.0%
6	Total rate base	4.97%	24.3	488.4	100.0%

2020											
Account Description	Account Number	Opening Principal Amounts as of Jan-1-20	Transactions Debit / (Credit) during 2020	Board-Approved Disposition during 2020	Principal Adjustments during 2021	Closing Principal Balances as of Dec 31-20	Opening Interest Amounts as of Jan-1-20	Interest Jan-1 to Dec-31-20	Interest Disposition during 2020-instructed by Board	Interest Adjustments during 2021	Closing Interest Balance as at Dec 31 -20 balance
Group 2 Accounts											
Foregone Revenue Deferral Account	1508				2,023,523	2,023,523				8,309	8,309
Tax Rate and Rule Changes Variance Account	1592										-
Earnings Sharing Mechanism (ESM) Deferral Account	2435										-
Total Regulatory Accounts Seeking Disposition – Group 2					2,023,523		-		-	8,309	8,309
Total Regulatory Accounts Not Seeking Disposition – Group 2											

Note: Adjustment in 2023 was a pencil adjustment reflecting activity in 2022 due to a correction that was needed to remove an amount initially included in the calculation for 2022 ESM that should not have been included.

		2021									
Account Description	Account Number	Opening Principal Amounts as of Jan-1-21	Transactions Debit / (Credit) during 2021	Board-Approved Disposition during 2021	Principal Adjustments during 2022	Closing Principal Balances as of Dec 31-21	Opening Interest Amounts as of Jan-1-21	Interest Jan-1 to Dec-31-21	Interest Disposition during 2021-instructed by Board	Interest Adjustments during 2022	Closing Interest Balance as at Dec 31 -21 balance
Group 2 Accounts											
Foregone Revenue Deferral Account	1508	2,023,523		2,023,523		(0)	8,309	6,185	14,510		(16)
Tax Rate and Rule Changes Variance Account	1592					-					-
Earnings Sharing Mechanism (ESM) Deferral Account	2435					-					-
Total Regulatory Accounts Seeking Disposition – Group 2		2,023,523	-	2,023,523		(0)	8,309	6,185	14,510	-	(16)
Total Regulatory Accounts Not Seeking Disposition – Group 2											

Note: Adjustment in 2023 was a pencil adjustment reflecting activity in 2022 due to a correction that was needed to remove an amount initially included in the calculation for 2022 ESM that should not have been included.

		2022									
Account Description	Account Number	Opening Principal Amounts as of Jan-1-22	Transactions Debit / (Credit) during 2022	Board-Approved Disposition during 2022	Principal Adjustments during 2023	Closing Principal Balances as of Dec 31-22	Opening Interest Amounts as of Jan-1-22	Interest Jan-1 to Dec-31-22	Interest Disposition during 2022- instructed by Board	Interest Adjustments during 2023	Closing Interest Balance as at Dec 31 -22 balance
Group 2 Accounts											
Foregone Revenue Deferral Account	1508	(0)				(0)	(16)	16			-
Tax Rate and Rule Changes Variance Account	1592					-					0
Earnings Sharing Mechanism (ESM) Deferral Account	2435	0	(95,489)		20,721	(74,768)	0	-			0
Total Regulatory Accounts Seeking Disposition – Group 2		(0)	(95,489)	-		(74,768)	(16)	16	-	-	-
Total Regulatory Accounts Not Seeking Disposition – Group 2											

Note: Adjustment in 2023 was a pencil adjustment reflecting activity in 2022 due to a correction that was needed to remove an amount initially included in the calculation for 2022 ESM that should not have been included.

		2023									
Account Description	Account Number	Opening Principal Amounts as of Jan-1-23	Transactions Debit / (Credit) during 2023	Board-Approved Disposition during 2023	Principal Adjustments during 2024	Closing Principal Balances as of Dec 31-23	Opening Interest Amounts as of Jan-1-23	Interest Jan-1 to Dec-31-23	Interest Disposition during 2023-instructed by Board	Interest Adjustments during 2024	Interest Balance as at Dec 31 -23 balance
Group 2 Accounts											
Foregone Revenue Deferral Account	1508	(0)				(0)	-	(0)			(0)
Tax Rate and Rule Changes Variance Account	1592					-					-
Earnings Sharing Mechanism (ESM) Deferral Account	2435	(74,768)	(657,351)		-	(732,119)	-	(4,015)			(4,015)
Total Regulatory Accounts Seeking Disposition – Group 2		(74,768)	(657,351)	-	-	(732,119)	-	(4,015)	-	-	(4,015)
Total Regulatory Accounts Not Seeking Disposition – Group 2											

Note: Adjustment in 2023 was a pencil adjustment reflecting activity in 2022 due to a correction that was needed to remove an amount initially included in the calculation for 2022 ESM that should not have been included.

		2024							
Account Description	Account Number	Principal Disposition during 2024 - instructed by OEB	Interest Disposition during 2024 - instructed by OEB	Principal Adjustments during 2024	Closing Principal Balances as of Dec 31-23 Adjusted for Dispositions during 2024	Closing Interest Balances as of Dec 31-23 Adjusted for Dispositions during 2024	Projected Interest from Jan 1, 2024 to December 31, 2024 on Dec 31 -23 balance adjusted for disposition during 2024	Total Interest	Total Claim
Group 2 Accounts									
Foregone Revenue Deferral Account	1508				(0)	(0)	(0)	(0)	(0)
Tax Rate and Rule Changes Variance Account	1592						-	-	-
Earnings Sharing Mechanism (ESM) Deferral Account	2435				(732,119)	(4,015)	(37,668)	(41,683)	(773,801)
Total Regulatory Accounts Seeking Disposition – Group 2					(732,119)	(4,015)	(37,668)	(41,683)	(773,801)
Total Regulatory Accounts Not Seeking Disposition – Group 2									

Note: Adjustment in 2023 was a pencil adjustment reflecting activity in 2022 due to a correction that was needed to remove an amount initially included in the calculation for 2022 ESM that should not have been included.

		2.1.7 RRR		
Account Description	Account Number	Accounts To Dispose Yes/No	As of Dec 31-23	Variance RRR vs. 2023 Balance (Principal + Interest)
Group 2 Accounts				
Foregone Revenue Deferral Account	1508	No		
Tax Rate and Rule Changes Variance Account	1592	No		
Earnings Sharing Mechanism (ESM) Deferral Account	2435	Yes	(736,134)	(0)
Total Regulatory Accounts Seeking Disposition – Group 2				
Total Regulatory Accounts Not Seeking Disposition – Group 2				

Note: Adjustment in 2023 was a pencil adjustment reflecting activity in 2022 due to a correction that was needed to remove an amount initially included in the calculation for 2022 ESM that should not have been included.

1 **TRANSMISSION ACCOUNTING ORDER – ESM DEFERRAL**
2 **ACCOUNT**

3
4 The “Earnings Sharing Mechanism (“ESM”) Deferral Account” shall record 50% of
5 earnings that exceed the regulatory return on equity (ROE) reflected in this Application by
6 more than 100 basis points in any year of the five-year term through B2M LP’s
7 transmission revenue. B2M LP shall use a methodology which is like what is outlined in
8 the annual RRR 2.1.5.6 filing. The calculation of actual ROE shall use the actual rate base
9 for that period. The ROE calculation shall be normalized for revenue impacting items such
10 as entries that are recorded in the year which relate to prior years to normalize the in-year
11 net income. The portion of B2M LP owned by Hydro One is subject to tax - this cost will
12 be included as part of the calculation of ROE.

13
14 The account will be established as Account 2435, Accrued Rate-Payer Benefit effective
15 January 1, 2020. B2M LP shall record interest on any balance in the sub-account using
16 the interest rates set by the OEB. Simple interest will be calculated on the opening monthly
17 balance of the account until the balance is fully disposed.

18
19 The following outlines the proposed accounting entries for this deferral account.

20

USofA #	Account Description
DR: 4395	Rate-Payer Benefit Including Interest
CR: 2435	Accrued Rate-Payer Benefit

21
22 Initial entry to record the over-earnings realized in any year of the five-year term.

23

USofA #	Account Description
DR: 4395	Rate-Payer Benefit Including Interest
CR: 2435	Accrued Rate Payer Benefit

24
25 To record interest improvement on principal balance of ESM deferral account.

Filed: 2024-10-21
EB-2024-0116
Exhibit H-1-1
Attachment 2
Page 2 of 2

1

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SCHEDULE B
2025 UNIFORM TRANSMISSION RATE SCHEDULES
DECISION AND RATE ORDER
EB-2024-XXXX
MONTH DD, YYYY

TRANSMISSION RATE SCHEDULES

2025 ONTARIO UNIFORM TRANSMISSION RATE SCHEDULES

EB-2024-XXXX

The rates contained herein shall be implemented effective January 1, 2025

Issued: Month DD, YYYY
Ontario Energy Board

EFFECTIVE DATE:
January 1, 2025

BOARD ORDER:
EB-2024-XXXX

REPLACING BOARD
ORDER: EB-2023-0222
January 18, 2024

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Ontario Uniform Transmission
Rate Schedule

TRANSMISSION RATE SCHEDULES

TERMS AND CONDITIONS

(A) APPLICABILITY The rate schedules contained herein pertain to the transmission service applicable to: •The provision of Provincial Transmission Service (PTS) to the Transmission Customers who are defined as the entities that withdraw electricity directly from the transmission system in the province of Ontario. •The provision of Export Transmission Service (ETS) to electricity market participants that export electricity to points outside Ontario utilizing the transmission system in the province of Ontario. The Rate Schedule ETS applies to the wholesale market participants who utilize the Export Service in accordance with the Market Rules of the Ontario Electricity Market, referred to hereafter as Market Rules. These rate schedules do not apply to the distribution services provided by any distributors in Ontario, nor to the purchase of energy, hourly uplift, ancillary services or any other charges that may be applicable in electricity markets administered by the Independent Electricity System Operator (IESO) of Ontario.

(B) TRANSMISSION SYSTEM CODE The transmission service provided under these rate schedules is in accordance with the Transmission System Code (Code) issued by the Ontario Energy Board (OEB). The Code sets out the requirements, standards, terms and conditions of the transmitter's obligation to offer to connect to, and maintain the operation of, the transmission system. The Code also sets out the requirements, standards, terms and conditions under which a Transmission Customer may connect to, and remain connected to, the transmission system. The Code stipulates that a transmitter shall connect new customers, and continue to offer transmission services to existing customers, subject to a Connection Agreement between the customer and a transmitter.

(C) TRANSMISSION DELIVERY POINT The Transmission Delivery Point is defined as the transformation station, owned by a transmission company or by the Transmission Customer, which steps down the voltage from above 50 kV to below 50 kV and which connects the customer to the transmission system. The demand registered by two or more meters at any one delivery point shall be aggregated for the purpose of assessing transmission charges at that delivery point if the corresponding distribution feeders from that delivery point, or the plants taking power from that delivery point, are owned by the same entity within the meaning of

Ontario's *Business Corporations Act*. The billing demand supplied from the transmission system shall be adjusted for losses, as appropriate, to the Transmission Point of Settlement, which shall be the high voltage side of the transformer that steps down the voltage from above 50 kV to below 50 kV.

(D) TRANSMISSION SERVICE POOLS The transmission facilities owned by the licenced transmission companies are categorized into three functional pools. The transmission lines that are used for the common benefit of all customers are categorized as Network Lines and the corresponding terminating facilities are Network Stations. These facilities make up the Network Pool. The transformation station facilities that step down the voltage from above 50 kV to below 50 kV are categorized as the Transformation Connection Pool. Other electrical facilities (i.e. that are neither Network nor Transformation) are categorized as the Line Connection Pool. All PTS customers incur charges based on the Network Service Rate (PTS-N) of Rate Schedule PTS. The PTS customers that utilize transformation connection assets owned by a licenced transmission company also incur charges based on the Transformation Connection Service Rate (PTS-T). The customer demand supplied from a transmission delivery point will not incur transformation connection service charges if a customer fully owns all transformation connection assets associated with that transmission delivery point. The PTS customers that utilize lines owned by a licenced transmission company to connect to Network Station(s) also incur charges based on the Line Connection Service Rate (PTS-L). The customer demand supplied from a transmission delivery point will not incur line connection service charges if a customer fully owns all line connection assets connecting that delivery point to a Network Station. Similarly, the customer demand will not incur line connection service charges for demand at a transmission delivery point located at a Network Station.

(E) MARKET RULES The IESO will provide transmission service utilizing the facilities owned by the licenced transmission companies in Ontario in accordance with the Market Rules. The Market Rules and appropriate Market Manuals define the procedures and processes under which the transmission service is provided in real or operating time (on an hourly basis) as well as service billing and settlement processes for transmission service charges based on rate schedules contained herein.

EFFECTIVE DATE:
January 1, 2025

BOARD ORDER:
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January 18, 2024

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TRANSMISSION RATE SCHEDULES

(F) METERING REQUIREMENTS In accordance with Market Rules and the Transmission System Code, the transmission service charges payable by Transmission Customers shall be collected by the IESO. The IESO will utilize Registered Wholesale Meters and a Metering Registry in order to calculate the monthly transmission service charges payable by the Transmission Customers. Every Transmission Customer shall ensure that each metering installation in respect of which the customer has an obligation to pay transmission service charges arising from the Rate Schedule PTS shall satisfy the Wholesale Metering requirements and associated obligations specified in Chapter 6 of the Market Rules, including the appendices therein, whether or not the subject meter installation is required for settlement purposes in the IESO-administered energy market. A meter installation required for the settlement of charges in the IESO-administered that energy market may be used for the settlement of transmission service charges. The Transmission Customer shall provide to the IESO data required to maintain the information for the Registered Wholesale Meters and the Metering Registry pertaining to the metering installations with respect to which the Transmission Customers have an obligation to pay transmission charges in accordance with Rate Schedule PTS. The Metering Registry for metering installations required for the calculation of transmission charges shall be maintained in accordance with Chapter 6 of the Market Rules. The Transmission Customers, or Transmission Customer Agents if designated by the Transmission Customers, associated with each Transmission Delivery Point will be identified as Metered Market Participants within the IESO's Metering Registry. The metering data recorded in the Metering Registry shall be used as the basis for the calculation of transmission charges on the settlement statement for the Transmission Customers identified as the Metered Market Participants for each Transmission Delivery Point. The Metering Registry for metering installations required for calculation of transmission charges shall also indicate whether or not the demand associated with specific Transmission Delivery Point(s) to which a Transmission Customer is connected attracts Line and/or Transformation Connection Service Charges. This information shall be consistent with the Connection Agreement between the Transmission Customer and the licenced Transmission Company that connects the customer to the IESO-Controlled Grid.

(G) EMBEDDED GENERATION The Transmission Customers shall ensure conformance of Registered Wholesale Meters in accordance with Chapter 6 of Market Rules, including Metering Registry obligations, with respect to metering installations for embedded generation that is located behind the metering installation that measures the net demand taken from the transmission system if (a) the required approvals for such generation are obtained after October 30, 1998; and (b) the generator unit rating is 2 MW or higher for renewable generation and 1 MW or higher for non-renewable generation ; and (c) the Transmission Delivery Point through which the generator is connected to the transmission system attracts Line or Transformation Connection Service charges. These terms and conditions also apply to the incremental capacity associated with any refurbishments approved after October 30, 1998, to a generator unit that was connected through an eligible Transmission Delivery Point on or prior to October 30, 1998 and the approved incremental capacity is 2 MW or higher for renewable generation and 1 MW or higher for non-renewable generation. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. Accordingly, the distributors that are Transmission Customers shall ensure that connection agreements between them and the generators, load customers, and embedded distributors connected to their distribution system have provisions requiring the Transmission Customer to satisfy the requirements for Registered Wholesale Meters and Metering Registry for such embedded generation even if the subject embedded generator(s) do not participate in the IESO-administered energy markets.

(H) EMBEDDED CONNECTION POINT In accordance with Chapter 6 of the Market Rules, the IESO may permit a Metered Market Participant, as defined in the Market Rules, to register a metering installation that is located at the embedded connection point for the purpose of recording transactions in the IESO-administered markets. (The Market Rules define an embedded connection point as a point of connection between load or generation facility and distribution system). In special situations, a metering installation at the embedded connection point that is used to settle energy market charges may also be used to settle transmission service charges, if there is no metering installation at the point of connection of a

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January 1, 2025

BOARD ORDER:
EB-2024-XXXX

REPLACING BOARD
ORDER: EB-2023-0222
January 18, 2024

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Rate Schedule

TRANSMISSION RATE SCHEDULES

distribution feeder to the Transmission Delivery Point. In above situations:

- The Transmission Customer may utilize the metering installation at the embedded connection point, including all embedded generation and load connected to that point, to satisfy the requirements described in Section (F) above provided that the same metering installation is also used to satisfy the requirement for energy transactions in the IESO- administered market.
- The Transmission Customer shall provide the Metering Registry information for the metering installation at the embedded connection point, including all embedded generation and load connected to that point, in accordance with the requirements described in Section (F) above so that the IESO can calculate the monthly transmission service charges payable by the Transmission Customer.

EFFECTIVE DATE:
January 1, 2025

BOARD ORDER:
EB-2024-XXXX

REPLACING BOARD
ORDER: EB-2023-0222
January 18, 2024

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Rate Schedule

TRANSMISSION RATE SCHEDULES

RATE SCHEDULE: (PTS)

PROVINCIAL TRANSMISSION RATES

APPLICABILITY:

The Provincial Transmission Service (PTS) is applicable to all Transmission Customers in Ontario who own facilities that are directly connected to the transmission system in Ontario and that withdraw electricity from this system.

	<u>Monthly Rate (\$ per kW)</u>
Network Service Rate (PTS-N):	5.78
\$ Per kW of Network Billing Demand ^{1,2}	
Line Connection Service Rate (PTS-L):	0.95
\$ Per kW of Line Connection Billing Demand ^{1,3}	
Transformation Connection Service Rate (PTS-T):	3.21
\$ Per kW of Transformation Connection Billing Demand ^{1,3,4}	

The rates quoted above shall be subject to adjustments with the approval of the Ontario Energy Board.

Notes:

1 The demand (MW) for the purpose of this rate schedule is measured as the energy consumed during the clock hour, on a "Per Transmission Delivery Point" basis. The billing demand supplied from the transmission system shall be adjusted for losses, as appropriate, to the Transmission Point of Settlement, which shall be the high voltage side of the transformer that steps down the voltage from above 50 kV to below 50 kV at the Transmission Delivery Point.

2. The Network Service Billing Demand is defined as the higher of (a) customer coincident peak demand (MW) in the hour of the month when the total hourly demand of all PTS customers is highest for the month, and (b) 85 % of the customer peak demand in any hour during the peak period 7 AM to 7 PM (local time) on weekdays, excluding the holidays as defined by IESO. The peak period hours will be between 0700 hours to 1900 hours Eastern Standard Time during winter (i.e. during standard time) and 0600 hours to 1800 hours Eastern Standard Time during summer (i.e. during daylight savings time), in conformance with the meter time standard used by the IMO settlement systems.

3. The Billing Demand for Line and Transformation Connection Services is defined as the Non-Coincident Peak demand (MW) in any hour of the month. The customer demand in any hour is the sum of (a) the loss-adjusted demand supplied from the transmission system plus (b) the demand that is supplied by an embedded generator unit for which the required government approvals are obtained after October 30, 1998 and which have installed capacity of 2MW or more for renewable generation and 1 MW or higher for non-renewable generation on the demand supplied by the incremental capacity associated with a refurbishment approved after October 30, 1998, to a generator unit that existed on or prior to October 30, 1998. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. The demand supplied by embedded generation will not be adjusted for losses.

4. The Transformation Connection rate includes recovery for OEB approved Low Voltage Switchgear compensation for Toronto Hydro Electric System Limited and Hydro Ottawa Limited.

TERMS AND CONDITIONS OF SERVICE:

The attached Terms and Conditions pertaining to the Transmission Rate Schedules, the relevant provisions of the Transmission System Code, in particular the Connection Agreement as per Appendix 1 of the Transmission System Code, and the Market Rules for the Ontario Electricity Market shall apply, as contemplated therein, to services provided under this Rate Schedule.

EFFECTIVE DATE:
January 1, 2025

BOARD ORDER:
EB-2024-XXXX

REPLACING BOARD
ORDER: EB-2023-0222
January 18, 2024

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Rate Schedule

TRANSMISSION RATE SCHEDULES

RATE SCHEDULE: (ETS)

EXPORT TRANSMISSION SERVICE

APPLICABILITY:

The Export Transmission Service is applicable for the use of the transmission system in Ontario to deliver electrical energy to locations external to the Province of Ontario, irrespective of whether this energy is supplied from generating sources within or outside Ontario.

Export Transmission Service Rate (ETS):

Hourly Rate

\$1.78 / MWh

The ETS rate shall be applied to the export transactions in the Interchange Schedule Data as per the Market Rules for Ontario's Electricity Market. The ETS rate shall be subject to adjustments with the approval of the Ontario Energy Board.

TERMS AND CONDITIONS OF SERVICE:

The attached Terms and Conditions pertaining to the Transmission Rate Schedules, the relevant provisions of the Transmission System Code and the Market Rules for the Ontario Electricity Market shall apply, as contemplated therein, to service provided under this Rate Schedule.

EFFECTIVE DATE:
January 1, 2025

BOARD ORDER:
EB-2024-XXXX

REPLACING BOARD
ORDER: EB-2023-0222
January 18, 2024

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SCHEDULE A
2025 REVENUE DISBURSEMENT ALLOCATOR
DECISION AND RATE ORDER
EB-2024-XXXX
MONTH DD, YYYY

Uniform Transmission Rates and Revenue Disbursement Allocators
Effective January 1, 2025

Transmitter	Revenue Requirement (\$)			
	Network	Line Connection	Transformation Connection	Total
Hydro One	\$1,206,861,187	\$212,168,826	\$605,276,749	\$2,024,306,762
HOSSM	\$25,645,763	\$4,508,581	\$12,862,112	\$43,016,456
FNEI	\$4,762,380	\$837,237	\$2,388,475	\$7,988,092
CNPI	\$2,770,591	\$487,076	\$1,389,534	\$4,647,201
WPLP	\$33,585,573	\$0	\$0	\$33,585,573
EWTLP	\$54,921,609	\$0	\$0	\$54,921,609
B2M LP	\$37,880,891	\$0	\$0	\$37,880,891
NRLP	\$8,565,165	\$0	\$0	\$8,565,165
All Transmitters	\$1,374,993,159	\$218,001,720	\$621,916,870	\$2,214,911,749

Transmitter	Total Annual Charge Determinants (MW)*			
	Network	Line Connection	Transformation Connection	
Hydro One	233,393.428	226,543.453	192,711.042	
HOSSM	3,498.236	2,734.624	635.252	
FNEI	230.410	248.860	73.040	
CNPI	522.894	549.258	549.258	
WPLP	156.151	0.000	0.000	
EWTLP	0.000	0.000	0.000	
B2M LP	0.000	0.000	0.000	
NRLP	0.000	0.000	0.000	
All Transmitters	237,801.119	230,076.195	193,968.592	

Transmitter	Uniform Rates and Revenue Allocators			
	Network	Line Connection	Transformation Connection	
Uniform Transmission Rates (\$/kW-Month)	5.78	0.95	3.21	
Hydro One Allocation Factor	0.87773	0.97325	0.97325	
HOSSM Allocation Factor	0.01865	0.02068	0.02068	
FNEI Allocation Factor	0.00346	0.00384	0.00384	
CNPI Allocation Factor	0.00201	0.00223	0.00223	
WPLP Allocation Factor	0.02442	0.00000	0.00000	
EWTLP Allocation Factor	0.03994	0.00000	0.00000	
B2M LP Allocation Factor	0.02755	0.00000	0.00000	
NRLP Allocation Factor	0.00623	0.00000	0.00000	
Total of Allocation Factors	1.00000	1.00000	1.00000	

* The sum of 12 monthly charge determinants for the year.

Note 1: Hydro One Revenue Requirement and Charge Determinants per OEB Decision and Order EB-2023-0127 dated September 19, 2023.

Note 2: HOSSM Revenue Requirement and Charge Determinants per OEB Decision and Order EB-2023-0130 dated October 24, 2023.

Note 3: FNEI Revenue Requirement and Charge Determinants per OEB Revenue Requirement and Charge Determinant Order EB-2016-0231 dated January 18, 2018.

Note 4: CNPI Revenue Requirement and Charge Determinants per OEB Decision and Order EB-2015-0354 dated January 14, 2016.

Note 5: WPLP Revenue Requirement and Charge Determinants per OEB Decision and Order EB-2023-0168 dated November 30, 2023.

Note 6: EWTLP Revenue Requirement per OEB Decision and Order EB-2023-0298, Upper Canada Transmission 2, Inc. dated December 12, 2023

Note 7: B2M LP 2025 Revenue Requirement per Part A of the Settlement Proposal

Note 8: NRLP Revenue Requirement per OEB Decision and Order EB-2023-0128 dated September 7, 2023.

Note 9: The revenue requirements of HOSSM, FNEI, and CNPI are allocated to the three transmission rate pools on the same basis as is used for Hydro One. The revenue requirements of WPLP, EWTLP, B2MLP and NRLP are allocated entirely to the Network rate pool. The total revenue requirements for each of the three transmission rate pools are then divided by the total charge determinants for each rate pool to establish the UTRs to two decimal places. The IESO uses the revenue collected from the UTRs to settle on a monthly basis with all rate-regulated transmitters using the revenue allocation factors.

Note 10: The allocation factors for each transmitter other than Hydro One are calculated by dividing each transmitter's revenue requirement assigned to each transmission rate pool by the total transmitters revenue requirement for each rate pool. The allocation factors are rounded to five decimal places for each transmitter. The sum of these individual transmitter allocation factors is then deducted from 1.0 to determine the allocation factor for Hydro One.